

READYING FOR THE **BIG LEAP**



Contents

02	Corporate snapshot
06	How we have grown over the years
08	The big picture
12	Chairman's message
14	Managing Director's perspective
18	Chief Financial Officer's performance overview
22	What makes our business model robust
24	Manaksia Steels' manufacturing excellence
28	Manaksia Steels deepened its sales network
30	knowledge capital at Manaksia Steels
32	Research and development at Manaksia Steels
33	What employees have to say about working at Manaksia Steels
34	Manaksia steels and its sustainability commitment
36	How we are strengthening the community at Manaksia steels
37	Management discussion and analysis
44	Corporate information
45	Directors' report
53	Corporate governance report
82	Standalone financial statements
132	Consolidated financial statements



Performance snapshot, FY 2022-23

641.48

(₹ Crore),
Revenue

27.15

% increase

24.29

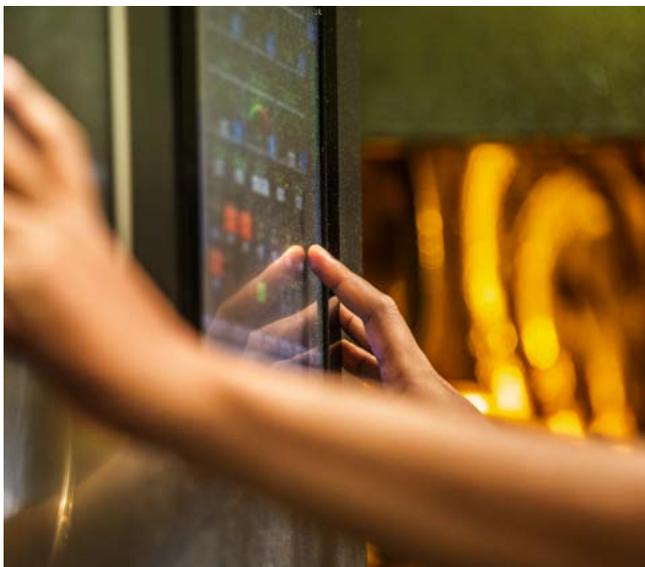
(₹ Crore), EBIDTA

7.42

(%), ROCE

12.65

₹ Crore PAT



Forward-looking statement:

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

READYING FOR THE **BIG LEAP**

At Manaksia Steels Limited, we patiently enhanced our manufacturing capacity, invested out of accruals, focused on a geographic region and strengthened our portfolio mix.

The time has come for your company to make its big move.

Your company intends to double its production capacity, enhance the proportion of value-added products, deepen its terrain presence and address wider customers.

This decisive investment is expected to graduate your company to the next level, marked by sustainable growth, larger surplus, critical mass and enhanced stakeholder value.

Corporate snapshot

Manaksia Steels Limited is a niche value added steel company.

This metal products and metal formation company specializes in the area of light engineering.

This company customizes metal products for use in the housing, consumer appliance, industrial and warehousing sectors.

This company provides superior customer service through a complement of speed and sensitivity.

The result is that Manaksia Steels is positioned to maximize value for all its stakeholders in a sustainable way.

50.53%

Manufacturing revenues generated from pre-painted galvanized coils and sheets in FY 2022-23

About us

Manaksia Steels Limited is a multi-product light engineering company headquartered in Kolkata. Your company was founded by Mr. Suresh Kumar Agrawal, a qualified chemical engineer, and is supported by industry experts. Your company focuses on the production of value-added flat steel products, addressing an increasing demand coming out from India's housing and infrastructure sectors.

Group background

The Manaksia Group is a multinational organisation

specializing in the manufacture of flat/long metal (steel and aluminum) products, kraft paper and engineered products (caps and closures). The Group possesses manufacturing facilities in India, Nigeria and Ghana. It is a prominent supplier across India and also exports to Japan and Africa.

Our presence

Manaksia Steels is headquartered in Kolkata and operates modern manufacturing facilities in Haldia and Bankura in West Bengal. Your company extended to the manufacture of long steel

products in Nigeria through its subsidiary Federated Steel Mills Limited.

Sales footprint

Manaksia Steels is a global supplier of pre-painted galvanized steel coils and sheets. Its sales footprint extends across Bhutan, Ethiopia, Cote d'Ivoire, Liberia, Sierra Leone, Gambia, Ghana, Nigeria, Sri Lanka and the UAE. Pre-painted galvanized coils and sheets generated the largest offtake at 36.91% of your company's revenues in FY 2022-23.

Products basket



Cold rolled steel sheets / coils

Cold rolled steel sheets and coils are produced through a series of processes including pickling, oiling, cold rolling of hot rolled coils and annealing. The resulting product features good formability and consistent flatness. These sheets and coils are utilized in various industries, such as automobiles, home appliances, hot dipped galvanized steel and pre-painted steel products. *Accounted for 6.96% of your company's manufacturing derived turnover in FY 2022-23.*



Hot dipped galvanized steel

Manaksia Steels installed hot-dipped galvanizing lines in Haldia and Bankura. Your company specializes in producing hot-dipped galvanized steel for the building materials, white goods, and electronic appliance industries. *Accounted for 38.25% of your company's manufacturing derived turnover in FY 2022-23.*



Pre painted profile sheets

The prepainted continuous color-coated line processes various substrates including galvanized steel, aluminum zinc alloy coated steel and aluminum coils. The facility is capable of producing roofing profiles, such as Trapezoidal and Sinusoidal shapes. *Accounted for 50.53% of your company's manufacturing derived turnover in FY 2022-23.*

Installed capacities

Haldia plant

Cold rolled sheets and coils
 1,20,000 MT

Hot dipped galvanized
 steels and coils
 36,000 MT

Pre painted galvanized
 sheet and coils
 48,000 MT



Quality

The manufacturing facility of Manaksia Steels at Haldia has been accredited with ISO 9001-2015, validating its process consistency. The plant consists of a continuous pickling line, cold rolling mill, hot dipped galvanizing line, color coating line and supporting equipment / lines, besides a modern quality assurance laboratory and system. Your company produces cold rolled products in compliance with international standards like JIS 3141, BS 1449, DIN 1623, and IS 513. The hot dipped galvanized steel is made according to prevailing national and international standards. Your company's products adhere to Bureau of Indian Standards (BIS) standards.

Talent

Manaksia Steels has gained recognition for its expertise. Your company comprises 178 skilled and experienced professionals; 95% of individuals had been with your company for over five years as on March 31st, 2023.

Listing

Your company's shares are listed on the National Stock Exchange of India and the Bombay Stock Exchange. Your company was valued at ₹ 233 Crore as on March 31st, 2023.

Brand

Manaksia Steels' galvanized corrugated sheets are branded as '5 Star Super Shakti'; the colour coating sheets and coils enjoy a distinctive recall around the '5 Star Super Colour' brand.

Board of Directors

- Mr. Varun Agrawal, Managing Director
- Mr. Suresh Kumar Agrawal, Director
- Mr. Mrinal Kanti Pal, Director
- Dr. Kali Kumar Chaudhuri, Independent Director
- Mr. Ramesh Kumar Maheshwari, Independent Director
- Mr. Ajay Kumar Chakraborty, Independent Director
- Mrs. Nidhi Baheti, Independent Woman Director
- Mr. Vineet Agrawal, Chief Executive Officer

Haldia plant

Pre-painted galvanized sheets & coils
48,000 MT

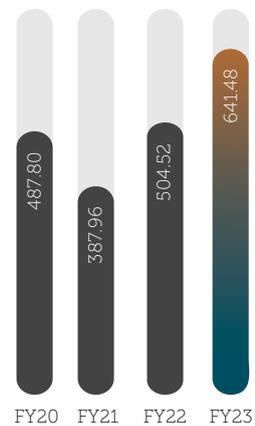
50.53%

of manufacturing turnover from pre-painted profile sheets and coils in FY 2022-23

HOW WE HAVE GROWN OVER THE YEARS



Revenues (₹ cr)



Meaning

Revenue is the income generated by a business from its main operations before the deduction of costs and expenses.

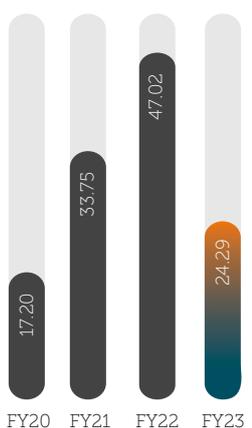
Importance

It highlights the service acceptance and market reach of your company.

Performance

Your company reported ₹641.48 Crore in revenues during FY 2022-23, 27.15% higher than the previous year.

EBITDA (₹ Cr)



Meaning

EBITDA is an acronym that refers to the earnings of a company before the deduction of interest, tax, depreciation and amortisation.

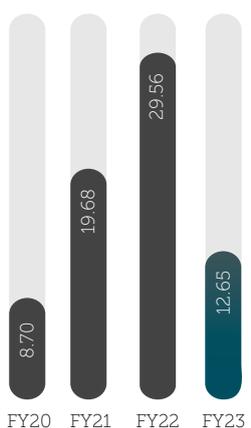
Importance

Investors use EBITDA as an indicator to measure the profitability and efficiency of a company while comparing with similar companies.

Performance

Your company reported ₹24.29 Crore in EBITDA in FY 2022-23.

PAT (₹ Cr)



Meaning

Profit after tax refers to the amount that remains after a company has paid all operating and non-operating expenses, other liabilities and taxes. This surplus is available to be distributed to shareholders as dividend or retained in reserves.

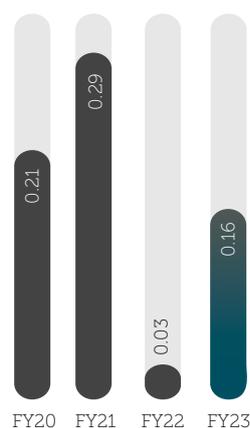
Importance

Profit after tax shows the actual amount your company has generated during a financial period, a measure of its competitiveness

Performance

Your company has reported ₹12.65 Crore of PAT in FY 2022-23.

Debt-equity ratio (x)



Meaning

The debt-to-equity ratio is a leverage ratio that calculates the weight of total debt and financial liabilities against total shareholders' equity.

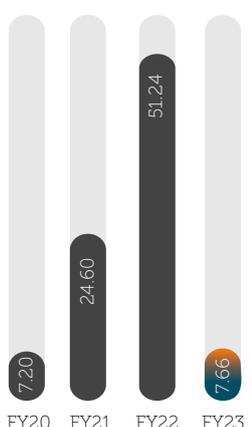
Importance

This ratio highlights whether your company's capital structure is tilted towards either debt or equity financing.

Performance

Your company reported a negligible debt-to-equity ratio of 0.16 in FY 2022-23.

Interest coverage ratio (x)



Meaning

The interest coverage ratio is a financial ratio used to determine how well a company can pay interest on its outstanding debt.

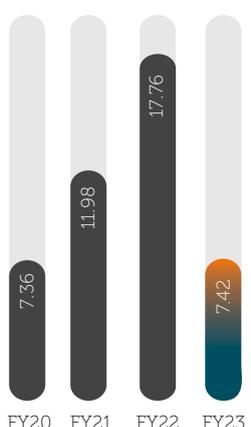
Importance

The interest coverage ratio is commonly used by lenders, creditors and investors to determine the risk involved in lending capital to a company.

Performance

Your company reported 7.66 times interest coverage ratio for FY 2022-23.

RoCE (%)



Meaning

Return on capital employed (ROCE), a profitability ratio, measures how efficiently a company is using its capital to generate profits.

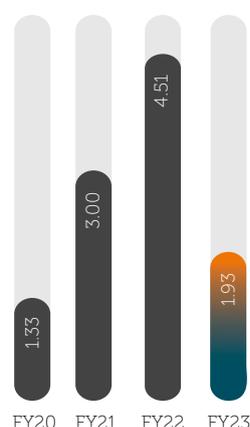
Importance

The return on the capital employed matrix is considered one of the most insightful profitability ratios and is commonly used by investors to determine whether it is suitable or not to invest in a particular company.

Performance

Your company reported 7.42% return on capital employed for FY 2022-23.

Earnings per share (₹)



Meaning

Earnings per share is a financial ratio, which divides net earnings available to common shareholders by the average outstanding shares over a certain period.

Importance

The earning per share indicates a company's ability to generate net profits for common shareholders.

Performance

Your company has reported ₹1.93 earning per share for FY 2022-23.

The big picture

MANAKSIA STEELS RIDES THE POWERFUL INDIA GROWTH STORY



THE COUNTRY IS PROJECTED
TO EMERGE AS A

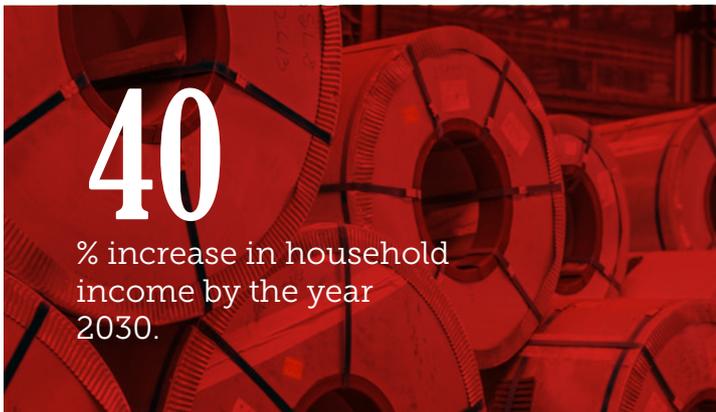
USD5

TRN ECONOMY BY THE LATER
PART OF THIS DECADE

THE COUNTRY IS PROJECTED
TO EMERGE AS

USD26

TRN ECONOMY BY 2047



Outperformer

India is the fifth largest economy and likely to overtake Germany and Japan to emerge as the third largest economy by 2030. Assuming a modest 6% growth rate per annum, India could emerge as a USD 26 trillion economy (in market exchange rate terms) by 2047-48 (in nominal terms),

with a per capita income exceeding USD15,000 (nearly six times the current value).

India is the only country to have increased its rank across each five-year period starting 2012 – tenth in 2012, sixth in 2017, fifth in 2022 and an estimated third by 2029. Only one country improved its rank (Britain) during one five-year stretch

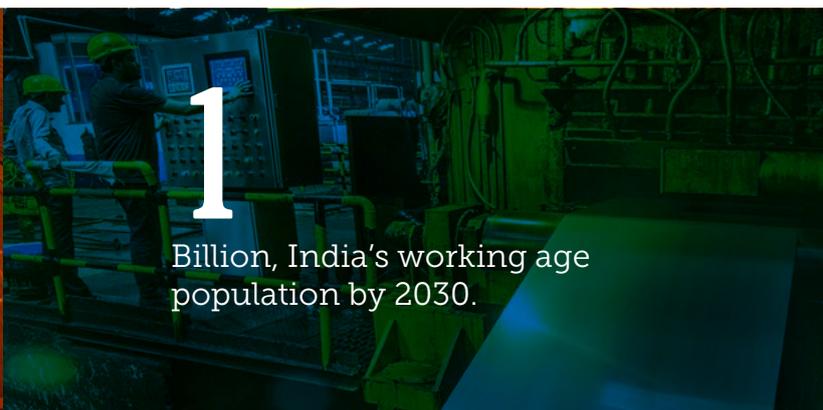
but lost its position thereafter; the rest either maintained or yielded their ranks during the decade (2012 to 2022) – except India.

Law of compression

India is not just growing; it is growing faster on an expanding base, indicating a critical mass of economic expansion. India's

GLOBAL GDP RANKING





1 Billion, India's working age population by 2030.

The Indian retail industry could be worth USD 2 trillion by 2032, which will place it among the top three by demand growth (after China and US).

first trillion-dollar GDP milestone took 58 years; the second trillion took only seven years and the third trillion dollars seven years (including the pandemic years). Following the pandemic, India is expected to return to its accelerated growth rate: the fourth and fifth USD trillion are expected to take three years each and the last, sixth USD trillion just two years.

The demand inflection point

An economic theory indicates that when a country's Gross Domestic Product (GDP) per capita reaches a threshold of around USD 2500, it experiences a sharp increase in consumption-driven spending that in turn accelerates national economic growth. India is projected to reach that point of growth in the next few years, the inflection point of its sustained outperformance.

The Indian retail industry could be worth USD 2 trillion by 2032, which will place it among the top three by demand growth (after China and US). Household income is expected to rise 40% by 2030, with the average household income reaching ₹732,000 per annum. The number of households in India will continue to grow, reaching 354 Million by 2030, up from 289 Million in 2020.

Discretionary spending

It has been estimated that every doubling of per capita income leads to a 1000% in discretionary expenditure (beyond basic necessities) with only a 25% increase in basic spending and a 400% increase in savings. This is likely to happen in the next few years in India.

Economically productive population

India's projected population of 1.7 Billion by 2050 could make it the most populous country by far. About 67% of India's population is now of working age. India will provide about 25% of the additional global workforce during the following ten years. India's working-age population could reach 1 Billion people by 2030 even as the population of the industrialized world ages quickly.

Foreign direct investment

India is becoming a popular destination for foreign investors. India's FDI inflows as a share of GDP is higher than that of China and several other emerging economies. At USD 847.4 Billion of cumulative FDI inflows between April 2000 and March 2022, India's FDI inflows have increased 20 times between

2000-01 and 2021-22. Going by the rate of growth achieved in the past, India could attract total FDI of USD 475 Billion in the next 5 years (2022-27).

Consumption penetration

Only 2% of India's population owned a car in 2021 (in Indonesia 5%, China 22%, Japan 60% and the USA 67%). This indicates a vast headroom for car ownership, the basis of the country's growth in the metals and automotive sectors. In India, mortgage as a % of nominal GDP was 11% compared with 18% in China and 68% in UK.

Reduction in poverty

The population of people living under extreme poverty is coming down, with over 415mn Indians being uplifted from multidimensional poverty during the period 2005-06 to 2020-2021. This has been achieved through a combination of higher incomes and impact of welfare programs such as provision of electricity.

The force of rural India

Eleven% of the world's population lives in Indian villages. Every second, three new people in India are connecting to the internet, with two of them coming from villages.



Kali Kumar
Chaudhuri, Chairman

Chairman's message

Manaksia Steels prioritizes product quality and just-in-time delivery

27.15%

Growth in the revenues of your company in FY 2022-23

Overview

The Indian steel industry is projected to grow in 2023. This growth is attributed to changes in export taxes and import duties on steel, as well as a surge in demand for steel due to affordable housing, infrastructure development, and construction projects throughout India. Besides, the Indian government's emphasis on self-sufficiency has created opportunities for sustainable infrastructure development, logistics parks and industrial corridors, all of which are driving the demand for finished steel products and steel as raw material.

A capital expenditure plan was announced in the last two Union Budgets with the aim of promoting self-reliance in India through the use of domestically produced steel. This plan aims to position India as a major manufacturing hub while significantly increasing the steel sector's contribution in the country's GDP.

Rural India is home to nearly 65% of the country's population, many of whom use straw, tiles, and asbestos to cover the roofs of their bamboo houses. These roofs are temporary and require frequent maintenance and upgrade, resulting in recurring expenses. Moreover, India may increase rural spending in the next fiscal year, as the country seeks to boost jobs and affordable housing. We believe that the proposed upgrades in basic living standards will catalyse the offtake of steel, widening the industry and increasing per capita consumption closer to the global average.

Our response

The management had foreseen that India would eventually shift towards safer and more durable metal roofing sheets, driven by health concerns and cost-effectiveness. As anticipated, demand for such sheets increased over time. In response, Manaksia Steels Limited began producing galvanized and corrugated steel sheets, which offered a superior price-value proposition compared to existing alternatives, to cater to the rural housing sector.

In the past nine years, MSL established manufacturing facilities in Haldia and Bankura, for the production of roofing sheets.

Your company utilizes cutting-edge technologies to manufacture steel products that prioritize material efficiency. Furthermore, your company implemented the use of cleaner energy sources such as LPG and solar power, as opposed to high-sulphur liquid fuels.

Performance

Your company is experiencing continuous success in expanding its market presence; there is a higher demand for its products than supply. Therefore, your company is prioritizing the marketing of quality products to take advantage of this opportunity. These products are mainly marketed in the East and North-East regions of India, where they fulfil unmet needs.

To ensure the long-term growth of the business, your company is also focused on gradually increasing its production. This will be done

in a phased manner to ensure sustainability and avoid any negative impacts on the quality of the products or the environment.

With the stabilization in metal prices, your company has shifted its focus to establish a robust supply chain with the objective of providing just-in-time delivery. In the industry space, our company operates in the first layer, and we intend to maintain this position by leveraging the expertise of our strong management team.

In the financial year under review, despite challenging market conditions, your company recorded a revenue of ₹641.48 Crore and an EBITDA of ₹24.29 Crore.

Our commitment to being a socially conscious and responsible organization, focused on building resilient and empowered communities, was reflected in our continued CSR and outreach activities during the year.

Outlook

Manaksia Steels has reached a critical point where growth is poised to accelerate significantly, with a broader and more profitable impact. We are confident that our efforts to double revenues over the next two years will help us create a more sustainable organization and enhance value for all our stakeholders.

Kali Kumar Chaudhuri,
Chairman of the 22nd Annual
General Meeting

Managing Director's perspective



Overview

In the 22 years existence of your company, there has been a focus on doing what we know the best, penetrating deeper in the regions of our presence, de-risking our business from industry cyclicality and reinvesting every rupee generated from the business.

This cautious approach has served us well. By the close of the year under review, your company possessed ₹64.57 Crore in net cash and liquidatable assets and no long-term debt. Even as the year was marked by volatile realisations on account of disturbed global geo-political tensions and a rise in interest rates, your company performed creditably.

The fact that your company reported a reasonable surplus in every quarter and generated higher tonnage sales than in the previous year indicates a robustness of the business model.

**AT MANAKSIA STEELS,
WE ARE ATTRACTIVELY
PLACED TO GRADUATE
YOUR COMPANY TO NEXT
LEVEL.**

**Performance review,
FY 2022-23**

Your company reported a 27.15% growth in revenues from ₹504.52 Crore in FY 2021-22 to ₹641.48 Crore in FY 2022-23. However, EBITDA was restricted to ₹24.29 Crore, and PBT to 16.44 Crore, in FY 2022-23 following an increase in costs and due to a weaker steel cycle.

Correspondingly, PBT declined 59.48% from ₹40.58 Crore in FY 2021-22 to ₹16.44 Crore in FY 2022-23. Your company remained PAT-positive in the second and third quarters when most peer steel companies went into the red. This validates the business model of your company and responsible de-risking.

The liquidity hygiene of your company continued to be protected amid volatility and increased interest rates. Your company's cash position strengthened from ₹45.46 Crore to ₹64.57 Crore from year-start to year-end. Interest cover was at a comfortable 7.66 times by the year end, indicating that your company continues to be liquid.

Sectoral performance

The impact of this market movement was reflected in our performance. The cost of raw material was a cause of concern and due to a lower price realisation, this cost could not be passed on to consumers. During the first nine months of the year under review, revenues of your Company were 28.39% higher than the corresponding period of the previous financial year.

The last quarter of FY 2022-23 proved to be different. Your company capitalized on an improvement in market



sentiment and realisations. Revenues during this quarter were 62.47% higher than the immediately preceding quarter and 24.67% higher than the corresponding quarter of the previous financial year. Profit after tax was 91.20% higher than the immediately preceding quarter. We are optimistic of extending this improvement into the current financial year.

Improvement

At Manaksia Steels, we did not just wait for an improvement in market sentiment to strengthen our performance. Your company embarked on proactive initiatives to strengthen its business at a time of market weakness.

One, your company continued to focus on enhancing the visibility of its brand, backed by an increased sales proportion of branded products. We believe that the increased proportion of revenues from branded products has a number of spin-off benefits: it provides your company with a recall that could make it easier for subsequently branded products to capitalize; it enhances realisations higher than the prevailing market average; it results in quicker sales during periods of slowdown and recovery, benefiting trade partners. In a world where consumers are gravitating from the unbranded to the branded, we see your company's focus on branding as a source of revenue visibility, translating into superior working capital efficiency.

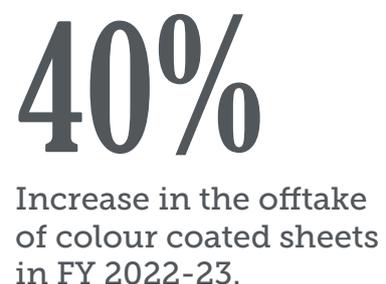
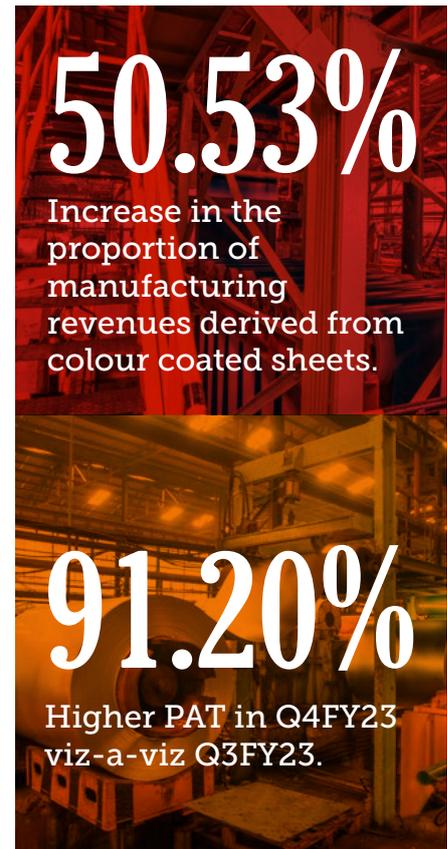
Two, your company continued

to manufacture a superior quality colour coated sheet, utilising Japanese technology paint and corrosion resistant features. At a time when consumers accelerated a shift in their consumption from plain sheets to the colour coated alternative for aesthetic and quality reasons, your company was at the right place and right time. Your company reported a 40% increase in the offtake of colour coated sheets in FY 2022-23 following a similar percentage increase in the previous financial year. The result is that the proportion of manufacturing revenues derived from colour coated sheets increased from 40.36% of your company in FY 2021-22 to 50.53% in FY 2022-23, marking a decisive improvement in value-addition and altered product mix.

Three, your company deepened its service orientation. The days of stock and sale are over; your company engaged with trade influencers like dealers and masons on product quality, impressing upon them the reasons of product superiority and quality of ingredients. The result is that there was an appreciable increase in influencer enquiries during the last financial year, setting the ground for a sustainable increase from the current financial year.

Looking ahead

At Manaksia Steels, we are attractively placed to graduate your company to the next level. Over the years, your company



remained conservative in its dividend payout, preferring to reinvest instead. By the close of the last financial year, your company had ₹109.33 Crore in cash and short-term investments on its books and no long-term debt; despite a growing business, it had drawn less than 25% of its working capital sanction (non-fund-based), indicating fiscal discipline.

The time has come for your company to make a significant capital investment in the manufacture of galvalume sheets during the current financial year. The proposed ₹80 Crore investment in a 100,000 MTPA aluzinc capacity will do two things for our company: on the one hand, this will increase the volume base that will make it more efficient in amortising fixed infrastructure costs; on the other hand, the product will generate a

wider value-addition on account of higher realisations and lower manufacturing costs. By the virtue of this product enjoying a 30% higher corrosion resistance, we see a traction building for this product. The expansion is expected to help your company double revenues when fully commissioned and since this capacity will have been funded from net worth, we expect to generate enhanced shareholder value.

Your company intends to sell this incremental output wider and deeper. Your company intends to drill deeper in North Bengal and North East India, its traditional markets. Besides, it intends to market products across the contiguous markets of Bihar, Jharkhand and Bhutan.

Conclusion

At Manaksia Steels, we are growing in a cautiously measured manner. Even as we are intending to expand, we are doing so in the existing manufacturing premises that will empower us to amortise our fixed expenses better. Even after investing ₹80 Crore in the expansion, we will possess adequate liquidity to grow the business without compromising our financial integrity.

By doubling revenues in the next two years without mobilizing any debt, we believe that we are creating a foundation that should translate into superior value for all our stakeholders across the foreseeable future.

Varun Agrawal,
Managing Director

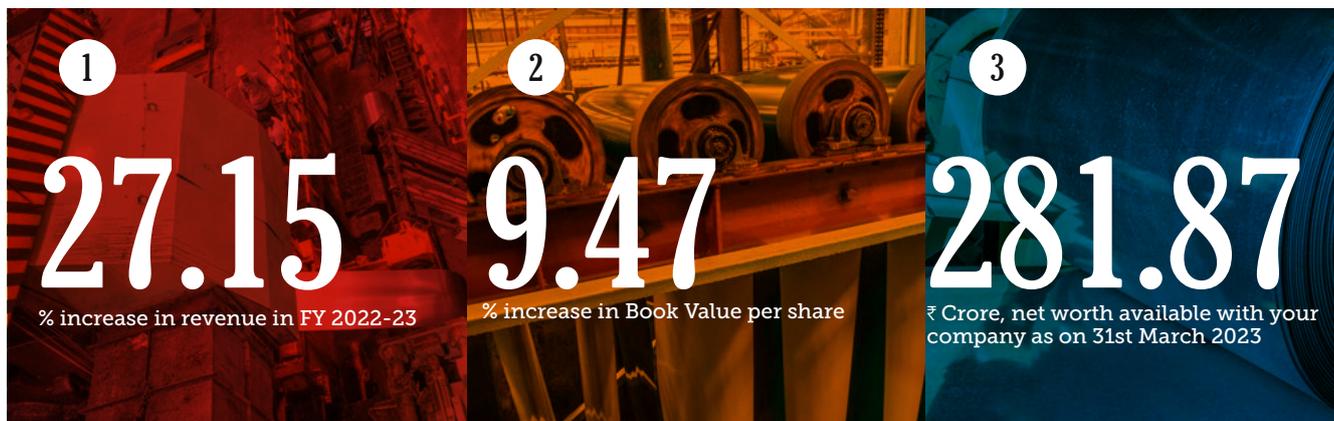
Your company reported a reasonable surplus in every quarter and generated higher tonnage sales than in the previous year indicates a robustness of business model.



Chief Financial Officer's performance overview

A PERSPECTIVE INTO THE FINANCIAL HEALTH OF OUR BUSINESS

*How we maintained business growth in FY 2022-23 and
created a new foundation*



Big picture: The big message is that your company balanced the need to sustain business momentum and prepare for the next phase of growth during the last financial year. We believe that this scenario presented cash flow management and capital allocation priorities, any under-delivery in which could have had project commissioning and profitability implications. The fact that your company could report revenue growth of 27.15% indicates its competence in addressing

stakeholder needs for the moment and the future.

Capital expansion: The principal challenge comprised the need to prepare for the proposed ₹80 Crore expansion, one of the largest in the existence of your company. The challenge was underlined by the fact that the previous largest expansion undertaken by your company was ₹15 Crore; besides, this expansion is likely to add 100% to your company's gross block in one stroke.

The related challenges of this large expansion warranted a prudent financing structure while protecting overall liquidity. Besides, your company was required to address the challenges of the days, comprising inflation, increased interest rates, multi-country currency challenges, protecting the product's price-value proposition and safeguarding liquidity.

Estimated capital expenditure

Year	FY22	FY23	FY24 (Projected)
Capital expenditure (₹ Crore)	2.20	6.32	80.00

Profitable growth: During the last decade, your company scaled its business profitably, validating its resilience. Your company reported 27.15% revenue growth during the last financial year.

Profitable growth

Year	FY21	FY22	FY23
Revenue growth %	-20.47	30.00	27.15
EBITDA growth %	96.22	39.32	-59.48

Capital efficiency: Your company reported creditable profitability during the year under review. EBITDA margin dropped 553 bps to 3.79%. Return on Capital Employed also lowered 1034 bps to 7.42%; RoE dropped from 12.42% to 4.69% despite capital inflows related to the expansion that will translate into earnings only across the foreseeable

future. The overall improvement in the health of the business was the result of long-term priorities: enhanced economies of scale through progressive investments in manufacturing capacity and brand in the colour coated sheets business, coupled with a working capital management discipline. Your company focused on creating

a sustainable financial foundation related to its expansion programme. The ₹80 Crore project is being funded through ₹281.87 Crore of net worth (all mobilized through accruals).

Across the foreseeable future, we expect to generate a return superior to what our risk partners

(shareholders) would be able to generate if they invested in alternative asset classes. Following the proposed expansion, we are optimistic of enhancing capital efficiency on account of limited debt being used in the business, timely projects commissioning, investment in cutting-edge technologies and value-addition

through Aluzinc. Our investment has been in location proximate to the port, widening our resource and market access, strengthening our overall profitability.

Margins: During the last financial year, EBITDA margin declined following a consistent focus on increasing the revenue proportion

of value-added products like colour coated sheets. The improved margins also represented a validation of our volume- and value-driven approach and activity-based costing (moderating sheet manufacturing costs down to one of the lowest in Eastern India for companies of our size).

Year	FY21	FY22	FY23
EBITDA margin %	8.70	9.32	3.79

Liquidity: As a policy, we maximized the use of accruals in business growth, moderating the use of borrowed funds. This has worked best: we place a premium on liquidity, preferring it over profitability when the alternative is between maximum revenues with stretched liquidity and centrist revenues with enhanced liquidity.

Working capital as a proportion of the total employed capital was 56.89% and 60.10% in the last two years; the proportion of inventory in the working capital outlay was 55.54% and 51.14% respectively. The

working capital tenure contracted from 116 days of turnover equivalent in FY 2021-22 to 95 days in FY 2022-23. Your company's receivables were 10 days of turnover equivalent during the year under review. The result was that your company drew only 23% of the ₹185 Crore sanctioned short-term loans from banks (on average), which made it possible to moderate interest outflow and enhance profitability. We enhanced our working capital hygiene: shrinking our receivables cycle through better terms of trade with primary customers (trade

partners), marketing products with quick offtake that supplemented their cash flows and graduating to a value-added product mix. Over the years, your company worked with an under-borrowed Balance Sheet, marked by adequate cash in hand, rising interest cover, strong gearing and lower Net debt/ EBITDA. Your company focussed on strengthening terms of trade, leveraging cash in hand to generate raw material discounts and addressing fresh capital expenditure needs.

Working capital intensity

Year	FY21	FY22	FY23
Working capital as % of total capital employed	15.58	60.10	56.89

Cash and cash equivalents

As on 31 March	FY21	FY22	FY23
Cash and cash equivalents (₹ Crore)	6.55	7.18	4.86

Way forward: Your company enjoyed a strong financial position at the end of the fiscal year under review. The net worth of your company stood at ₹281.87 Crore as on March 31, 2023, with no long-

term debt and ₹45.45 Crore in short-term debt. Your company's large net worth was the outcome of a long-term build-up of surpluses. In an unpredictable world, this significant net worth bias implies relative de-

risking; it provides your company patient and resilient capital in challenging periods.

Rajesh Singhania, Chief Financial Officer



10

Days, debtor turnover ratio in FY 2022-23.

Our investment has been in locations proximate to port, widening our resource and market access, strengthening our overall profitability.

Analysis

WHAT MAKES OUR BUSINESS MODEL ROBUST



① BRAND VALUE

The '5 Star Super Shakti' and '5 Star Super Colour' brands of your company are visible and respected across markets for trustworthiness, quality and dependability. These strong brands have allowed your company to establish a trusted relationship with primary customers, translating into revenue visibility.

② DIVERSIFICATION

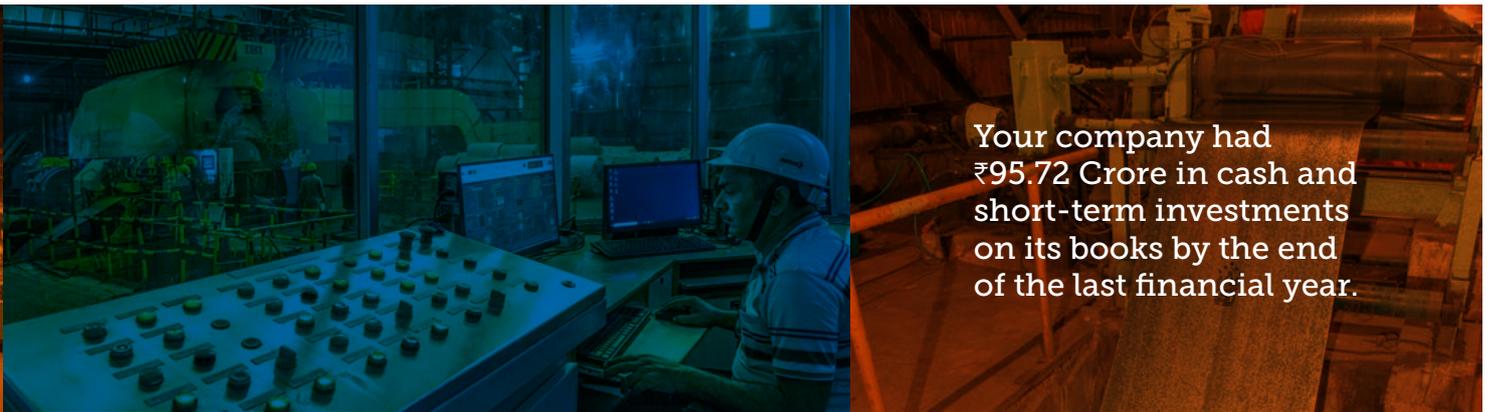
Your company offers a diverse product range - cold rolled galvanized / black plated and colour coated sheets and coils – that makes it a single-stop solution provider.

③ ADDRESSING NEEDS

Your company caters to the increasing and widening needs of the domestic roofing, industrial roofing and appliance sectors, enhancing its recall.

④ UNDER-BORROWED

Your company is extensively under-borrowed; against a net worth of ₹281.87 Crore, your company possessed total debt of ₹45.45 Crore as on 31st March 2023. Your company had ₹95.72 Crore in cash and short-term investments on its books by the end of the last financial year. Interest cover (EBITDA divided by interest outflow) was a comfortable 7.66 times in FY 2022-23. Your company earned ₹7.22 Crore through its treasury operations.



Your company had ₹95.72 Crore in cash and short-term investments on its books by the end of the last financial year.

5 GEOGRAPHICAL PRESENCE

The location of your company in Haldia provides strategic benefits, being situated 300 Kms from the nearest primary steel manufacturer and having a port-based location that enhances its ability to import raw materials easily. This advantage reinforces your company's ability to cost-effectively source materials for production, strengthening competitiveness.

6 SKILLED TALENT

The team of skilled and experienced professionals of your company possess extensive knowledge of rolling technologies, processes and customer needs, translating into superior service.

7 RESOURCE SECURITY

Your company secured its raw material access by procuring 42% of its hot rolled coil needs from two of India's largest primary steel manufacturers, and sourcing 90% of its principal indigenous raw material from within a 300-Km radius - a secure supply chain. Your company also imports HR Coil requirements from Japan.



MANAKSIA STEELS' MANUFACTURING EXCELLENCE

Overview

Manaksia Steels processes hot rolled steel for downstream use in the construction and cladding applications. Your company markets products under its own brand. The manufacturing operations of your company are data-driven, enhancing a predictability in resource demand estimation, leading to efficient working capital management.



3,500

Metric Tonnes of colour coated sheets produced in a month.

Challenges and mitigation

Inadequacy to meet demand: There was a growing demand for colour coated sheets on account of increased farm incomes, which put a premium on high asset utilisation.

Mitigation: Your company enhanced asset utilisation through improved process speed (without compromising quality).

Raw material scarcity: Your company encountered a dearth of raw materials, which affected its ability to produce an adequate quantity of colour coated sheets.

Mitigation: Your company expanded its raw material sourcing channels that sustained production.



Strengths

Respect: Your company customises across sizes, variants and combinations, marketed under the trusted '5 Star' brand.

Experienced management: The manufacturing team of your company comprises industry experts with decades of rich experience

Research and development: Your company prioritizes research-driven product and process improvements, including physical and chemical testing, to strengthen product attributes (width, thickness and profitability).

Highlights, FY 2022-23

- Your company produced 68000 Tonnes, a 7% growth over the previous year

- Average capacity utilisation increased from 41% in FY 2021-22 to 44%.



Maintenance: Your company practices proactive and preventive maintenance of equipment, leading to increased uptime.



Investments: The investments of your company in process automation resulted in improved quality consistency.



State-of-the-art technology: Your company made strategic investments in automated equipment, enhancing asset utilization, efficiency, consistency and profitability.

- During FY 2022-23, your company achieved two milestones. First, your company's monthly production of colour coated sheets touched 3,500 metric Tonnes in a month and second, it dispatched approximately 8,000 metric Tonnes of galvanized and coloured sheets/coils in a month

- Your company installed a solar-based captive power plant generating 90,000 units per month. Your company also switched to using LPG as a fuel source, which is not only cost-effective but also easily available.

- Your company has reduced its import dependence by utilising indigenous raw material.

Outlook

Your company set sights on achieving a production capacity utilization increase of 10,000 metric Tonnes in FY 2023-24, prioritizing capacity utilization and expansion.

MANAKSIA STEELS DEEPENED ITS SALES NETWORK

Overview

At Manaksia Steels, we recognize the importance of embracing continuous change and staying ahead of market trends in the long run. Your company remains a visible brand in segments where it operates, evidenced by the increasing revenues. Your company widened its terrain presence and strengthened product awareness; it appointed more distributors, making it possible to penetrate deeper. The '5 star' brand of your company gained customer trust due to accessibility, consistent quality and responsible pricing across rural West Bengal, Bihar and Assam.

Challenge and mitigation

Price reduction: The product demand of your company was affected due to a decline in prices as buyers stayed away in expectation of a further decline.

Mitigation: Your company monitored market conditions, engaged closely with distributors, optimized in-trade inventory and moderated output.

Strengths

Brand: Your company enhanced the prominence and momentum of its corporate brand, which was synonymous with ethical integrity, unwavering commitment to quality and exceptional customer service. The '5 Star' brand of your company enjoys visibility and popularity due to a consistently superior price-value

proposition.
Logistics: The products of your company are distributed to consumers through a robust network comprising 544 distributors.

Investment: The brand of your company was reinforced through continuous promotional investment, which enhanced visibility and products traction.

Footprint: The products of your company are sold in expanding markets for construction sheets, including rural areas of West Bengal, Bihar, Uttar Pradesh, Bhutan and Assam.



Highlights, FY 2022-23

- Your company liquidated its stock and worked with a lean inventory
- Your company's network resulted in accurate information on peer stock levels and pricing, facilitating informed decision-making
- Your company trained its sales force, with a focus on expanding into new markets.
- Your company onboarded 6 distributors, widening its market presence

Outlook

Your company intends to introduce digital marketing, organize customer gatherings and dealer meetings. Your company intends to introduce a new product line called Aluzinc with a production capacity of 1,00,000 MTPA.



Big numbers

15%

Manaksia Steels' market share of colour coated sheets from among secondary flat steel manufacturers in the regions of your company's presence, FY 2022-23

20%

Manaksia Steels' market share of galvanized sheets from among secondary flat steel manufacturers in the regions of your company's presence, FY 2022-23

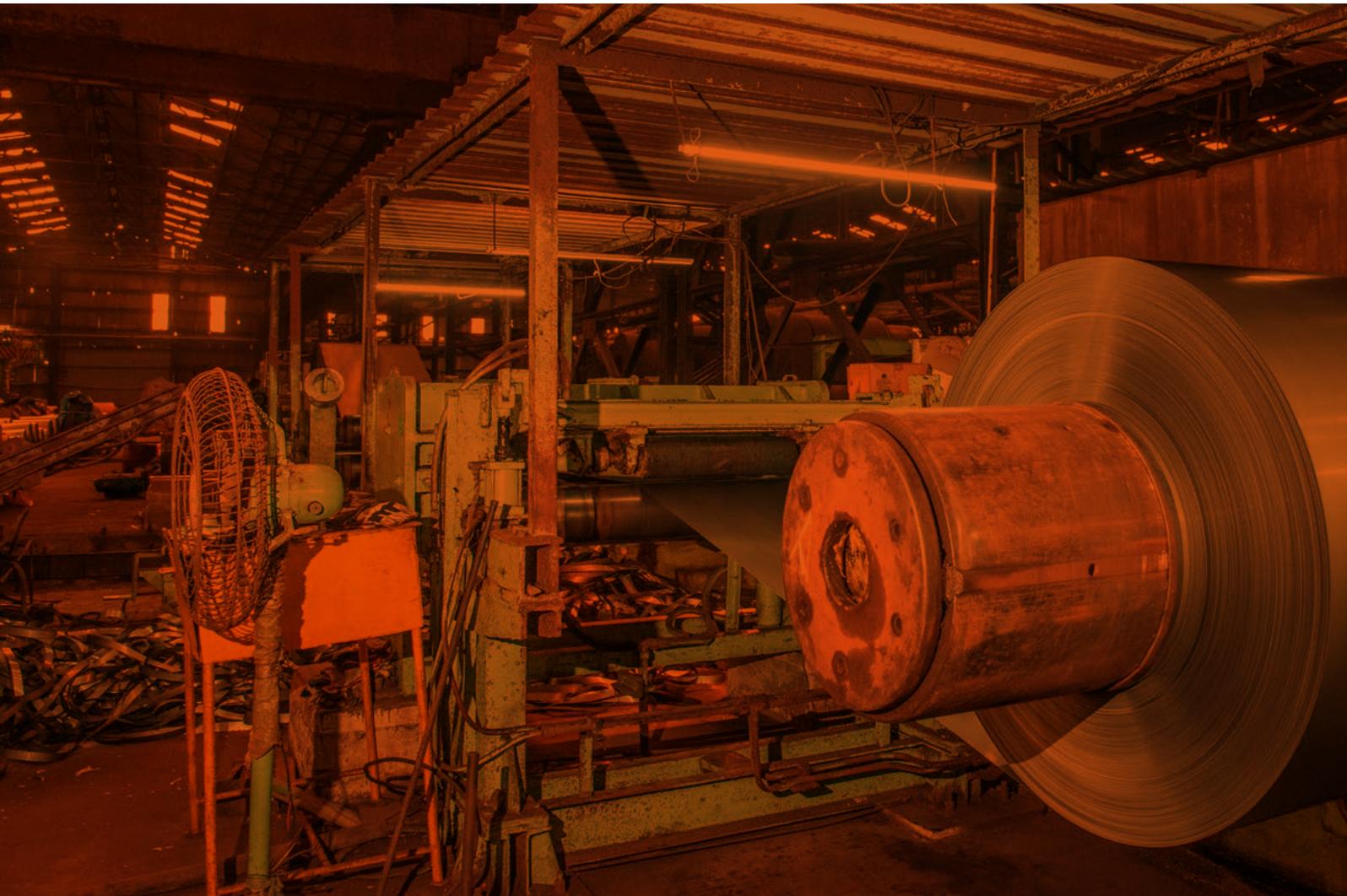
37%

Share of colour coated sheet sales in your company's revenues, FY 2022-23

28%

Share of galvanized steel sales in your company's revenues, FY 2022-23

KNOWLEDGE CAPITAL AT MANAKSIA STEELS



Overview

Talent represents the cornerstone at Manaksia Steels, driving competitiveness and outperformance across various market cycles. Your company fostered a passion-driven culture, enriched talent through diverse experiences, encouraged emotional ownership and empowered its workforce.

Strengths

Employee-centric: Your company empowered its workforce of employees (182) as of March 31st, 2023) by deepening responsibility and accountability.

Employee-centric policies: Your company formulated policies that resulted in improved clarity on employee conduct.

Appreciation: Your company bolstered self-esteem, fellowship, affiliation and fulfillment among employees.

Future-ready: Your company deepened its talent pipeline to respond to the changing needs of a rapidly evolving market

Training: The learning and development program of your

company was designed to align with business needs and individual aspirations.

Outlook

At Manaksia Steels, our goal is to attract, recruit and retain exceptional talent to build our talent pool in preparation for your company's next round of growth.



Total number of employees

175	178	182
2020-21	2021-22	2022-23

Person-hours spent in training per employee

25	50	60
Hours, 2020-21	Hours, 2021-22	Hours, 2022-23

Employees by age group

Year	2020-21	2021-22	2022-23
22-35	37	38	40
36-45	57	57	51
46-60	78	80	85
60-above	3	3	6

Employees by tenure

	2020-21	2021-22	2022-23
More than 5 years (as % of total)	95%	95%	95%
Less than 5 years (as % of total)	5%	5%	5%

RESEARCH AND DEVELOPMENT AT MANAKSIA STEELS



Overview

Manaksia Steels' investment in cutting-edge R&D has positioned your company as futuristic by way of mindset and practices. The research-based orientation of your company has resulted in the timely development of products and grades that enhance customer value, product quality and characteristics.

Strengths

Experienced team: Manaksia Steels comprises a team of trained professionals with extensive experience.

Capacity expansion: Your company recognizes the importance of addressing market needs proactively; your company is implementing a capacity expansion.

Business development: The business development team of your company possesses a deep understanding of market dynamics and customer understanding.

Outlook

Your company intends to commission Aluzinc unit at the Haldia plant; it is installing a spectrometer to analyse metal and alloy composition.

WHAT EMPLOYEES HAVE TO SAY ABOUT WORKING AT MANAKSIA STEELS



I have witnessed the company's remarkable growth. The company extends beyond Mediclaim facilities by providing employees with personal financial assistance in times of need. Our Managing Director once personally rushed his driver to the hospital during a heart attack, ensuring admission and financial support, saving the driver's life."

Santosh Agrawal, *General Manager, Operations and Corporate Administration*



After four months of joining the company, I fell ill. However, I was overwhelmed by the support I received from the Company. The company not only admitted me to hospital, but provided financial and emotional support during my time of need."

Aman Nathani,
Commercial Manager, Haldia Plant



I have been associated with Manaksia Group for 33 years. I face difficulties in using public transport due to health reasons. When I raised this concern with the management, it provided me with a car with a dedicated driver, resolving my transportation challenges."

Jean Paul, *Executive Secretary*



I have been a part of Manaksia Steels since 2007. We revolutionized the mill, upgraded production, and tackled challenges. The promoters' unwavering support and commitment to growth ensure a continuous adaptation to market demands."

Arvind Kumar Chowdhury,
Production Manager, CRM



In November 2022, I joined Manaksia Steels after returning from the Gulf due to the pandemic. The management is humble and attentive. All employee suggestions are valued. The company acts promptly to address challenges. The continuous flow of projects ensures that the company and its employees make it a fulfilling workplace."

Anil Kulkarni, *Mechanical Maintenance Manager*

MANAKSIA STEELS AND ITS SUSTAINABILITY COMMITMENT

Overview

ESG is fundamental to modern business, a barometer by which companies and their intentions are evaluated by a discerning global stakeholder audience.

The environmental segment of the business focuses on the efforts of your company to reduce its carbon

footprint and responsibly manage finite resources, while complying with relevant regulations. The social component of ESG encompasses your company's relationships with vendors, employees, customers and communities. The governance component reviews your company's strategic framework to manage the business.

Manaksia Steels emphasises ESG as the production of its products relies on inputs derived from nature (directly or indirectly). Any deviation from responsible practices or any perceived irresponsibility can impact your company's reputation and market position – or vice versa.

Our environment commitment

The environmental component at Manaksia Steels is dedicated to use environmentally responsible resources, minimise consumption to only what is necessary, promote

waste recycling, limit fossil fuel usage to moderate levels, and build resilience to climate change. We prioritize responsible environmental practices to

minimize our ecological impact and promote sustainability in our business operations.



Initiatives

- Your company installed pollution controlling equipment
- Your company prioritized the use of relatively clean LPG (instead of high-sulphur liquid fuel).
- Your company manufactured

products that are environmentally friendly and recyclable.

- Your company adhered to all statutory regulations related to the environment.
- Your company enhanced tree plantation across manufacturing units.

- Your company invested in cutting-edge technologies to reduce energy consumption.
- Your company has installed solar plant of 1mw capacity for its captive consumption.

Our social commitment

The social component of Manaksia Steels encompasses the importance of investing in our employees, vendors, customers and community engagement. We recognize that building strong relationships with these stakeholders is crucial to safeguarding your company against unexpected shocks in supply, demand or production.

At Manaksia Steels, we prioritize community well-being through

CSR initiatives that address under-addressed areas for enhanced social responsibility and environmental sustainability.

Workforce: At Manaksia Steels, we have demonstrated a strong commitment to excellence in quality (products and processes) and resource efficiency. The workforce is a critical driver in achieving these goals; your company made strategic investments through recruitment,

retention and training.

Customers and vendors: Your company deepened partnerships and engagements with vendors of capital equipment, spare parts and customers. Given the nature of the resources used, we have selectively chosen to collaborate with prominent vendors who share our commitment to quality, sustainability and responsible business practices.



Initiatives

- Your company conducted comprehensive training programs to educate workers on safety measures.
- Your company established standard operating protocols aimed at enhancing employee safety.
- Your company conducted health camps, offering free health check-ups to its employees as a part of its commitment to employee wellness.
- Your company provided comprehensive education and training programs that highlight hazards associated with handling toxic chemicals.
- Your company prioritized safety through proactive safeguards, including a well-defined safety policy, regular awareness initiatives, periodic performance reporting and recruitment of experienced professionals, comprehensive training programs, mock drills and investment in state-of-the-art equipment.
- Your company appointed a dedicated safety officer to deepen its commitment to employee health and safety, ensuring a compliance with industry standards and best practices.

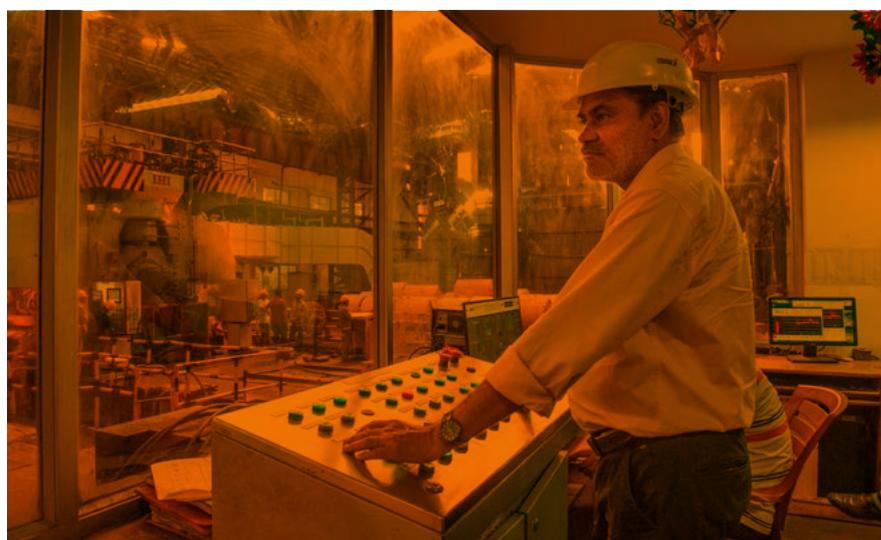
Your company installed a solar plant of 1 mw capacity for captive consumption.

Our governance commitment

Our commitment to governance includes articulating our business strategy, values, codes of conduct, Board responsibilities and composition, as well as our organizational commitment to the principles of the United Nations Global Compact (UNGC). We strive to uphold robust governance practices that ensure transparency, accountability, and ethical decision-making, in line with our commitment to responsible and sustainable business operations.

Initiatives

- Your company appointed experienced and Independent Directors to its Board, comprising more than 50% of the total Board composition.
- Your company established a Whistleblower mechanism that allows employees to report concerns directly to the Chairman of the Audit Committee
- Your company addresses investor complaints, if any, in a timely manner.
- Your company promoted real-time internal audit engagement with auditors and submitted quarterly audit reports to the Audit Committee and Board, accompanied by an Action Taken report.
- As per the Companies Act and SEBI, your company framed policies to ensure compliance and good governance practices.
- Your company conducted a separate meeting of Independent Directors, wherein one of the agenda items is to evaluate the performance of individual Directors and the Board.
- The Board received updates on statutory and regulatory amendments issued by various government departments.
- Your company upheld a culture of transparent communication with its shareholders, ensuring that all price-sensitive information was disseminated through official announcements filed with the stock exchanges.



HOW WE ARE STRENGTHENING COMMUNITIES AROUND MANAKSIA STEELS

Overview

Manaksia Steels Limited, as a responsible corporate citizen, engages in a range of social

responsibility initiatives. Your company believes in giving back to communities in which it operates. It prioritizes the welfare of the local

area and communities through a focus on education, healthcare and livestock development.

CSR committee

The Board of Directors of Manaksia Steels Limited established a CSR committee to develop policies, approaches and guiding principles

for the selection, implementation and monitoring of CSR activities in accordance with standard operating procedures.

Key CSR programme

Healthcare: Seva Bharti Trust provides healthcare services, including eye check up, dental health, medicine, chest care, physiotherapy, gynaecology and homeopathy to the economically disadvantaged either at free of cost or at highly subsidized rates. To expand its reach, the Trust is undertaking the construction of a new clinic for ₹7 crores. Manaksia Steels has contributed ₹51 Lacs towards this cause as partial funding.



CSR spending

51.00
(₹ in Lacs),
FY 2022-23

40.48
(₹ in Lacs),
FY 2021-22

37.25
(₹ in Lacs),
FY 2020-21

128.73
(₹ in Lacs),
Last 3 years

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic review

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted

trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to USD 55.3 Billion in April-December 2022. The decline was even sharper in the case of FDI inflows as equity: these fell 15% to USD 36.75 Billion

between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023).

The S&P GSCI TR(Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021

China: GDP growth was 3% in 2022 compared to 8.1% in 2021.

United Kingdom: GDP grew by 4.1% in 2022 compared to 7.6% in 2021

Japan: GDP grew 1.7% in 2022 compared to 1.6% in 2021

Germany: GDP grew 1.8% compared to 2.6% in 2021

[Source: PWC report, EY report, IMF data, OECD data]

Outlook: The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall

marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession and significant developments, including China's progressive departure from its strict zero-covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is

likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth (Source: IMF).

Indian economic review

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth was 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

Growth of the Indian economy

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Real GDP growth(%)	3.7	-6.6%	9.1	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.2	4.5	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the financial year 2023 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 Million metric Tonnes (MMT) in FY2022-23 from 107 MMT in the preceding year. Rice production at 132 Million metric Tonnes (MMT) was almost at par with the previous year. Pulses acreage grew to 31 Million hectares from 28 Million hectares. Due to a renewed focus, oilseed area increased by 7.31% from 102.36 Lakh hectares in FY2021-22 to 109.84 Lakh hectares in FY2022-23.

India's auto industry grew 21% in FY23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 Million units, crossing the previous high of 3.2 Million units in FY19. The commercial vehicles segment grew by 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

Till the end of Q3FY23, the banking system's total gross non-performing assets (NPAs) fell to 4.5% from 6.5% a year ago. Gross NPA for FY23 was expected to be 4.2% and a further drop is predicted to be 3.8% in FY2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY23 was estimated at 16.5% to USD 714 Billion as against USD 613 Billion in FY22. India's merchandise exports were up 6% to USD 447 Billion. India's total exports (merchandise and services) grew 14% to a record of USD 775 Billion and is expected to touch USD 900 Billion in FY2023-24. Till Q3 FY23, India's current account deficit, a crucial

indicator of the country's balance of payments position, decreased to USD 18.2 Billion or 2.2% of GDP. India's fiscal deficit was in nominal terms at ~ ₹17.55 Lakh Crore, which is 6.4% of the country's GDP for the year ending March 31, 2023.

India's headline foreign direct investment (FDI) numbers rose to a record USD 84.8 Billion in FY2021-22, However, during the fiscal year 2022-23, the country experienced a 16% decrease in foreign direct investment (FDI) inflows, amounting to USD 71 Billion on a gross basis. This decline can be attributed to the unfavourable global economic conditions and stands as the first contraction in FDI in the past ten years.

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately USD 70 Billion in FY2022-23, primarily influenced by rising inflation and interest rates. Starting from USD 606.47 Billion on April 1, 2022, reserves decreased to USD 578.44 Billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by March 31, 2023, driven by a stronger dollar and an increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI

reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4% in FY2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in FY23. As of March 2023, India's unemployment rate was 7.8%.

In FY2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE 2022-23. The government is also estimated to have addressed 77% of its disinvestment target in FY23 (₹50,000 Crore against a target of ₹65,000 Crore).

The total gross collection for FY23 was ₹18.10 Lakh Crore, an average of ₹1.51 Lakh a month and up 22% from FY22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 Lakh Crore. For FY2022-23, the government collected ₹16.61 Lakh Crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6% more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹172,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure

of USD 2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3% in 2022-23..

Outlook: There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and an appreciable decline in consumer price index inflation to less than 5% in April 2023. India is expected to grow around 6-6.5% (as per various sources) in FY2024, catalyzed in no small measure by the government's 35% capital expenditure. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is

expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in 2022-23 was 10,993 Kms; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 Km in the last financial year

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP growth of 7.2% and America and Europe is experiencing its highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in various sectors and emerge as a suitable industrial

supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions and slowing external demand.

(Source: IMF data, RBI data, Union budget 2023-24 data, CRISIL report, Ministry of Trade & Commerce, NSO data)

Union Budget FY 2023-24 provisions

The Budget 2023-24 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to ₹10 Lakh crores, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM Gati-shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate

Action, as well as Financing of Investments. An outlay of ₹5.94 Lakh Crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly ₹20,000 crores was made for the PM Gati-Shakti National Master Plan to catalyse the infrastructure sector. An outlay of ₹1.97 Lakh Crore was announced for Production Linked Incentive schemes across 13 sectors. The Indian

government intends to accelerate road construction in FY24 by 16-21% to 12,000-12,500 Km. The overall road construction project pipeline remains robust at 55,000 Km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Indian steel industry review

During FY 2022-23, India produced 125.32 Million Tonnes of steel, representing a 4.2% increase over the previous year. The growth in the Indian steel sector can be attributed to factors such as rising consumer demand, access to domestic sources of raw materials such as iron ore and cost-effective labour. Steel consumption in India reached 119.17 Million Tonnes during the same period. India also exported 13.5million Tonnes of finished steel worth ₹1 Lakh Crore and imported

steel of around ₹46,000 Crore in FY 2022-23.

The construction sector, encompassing both infrastructure and real estate, is the largest consumer of steel in India, accounting for approximately 61% of domestic steel demand. It is followed by the capital goods sector, which constitutes around 10% of steel consumption and then the automotive sector, which constitutes around 9% of domestic steel demand. As of 2022, the crude

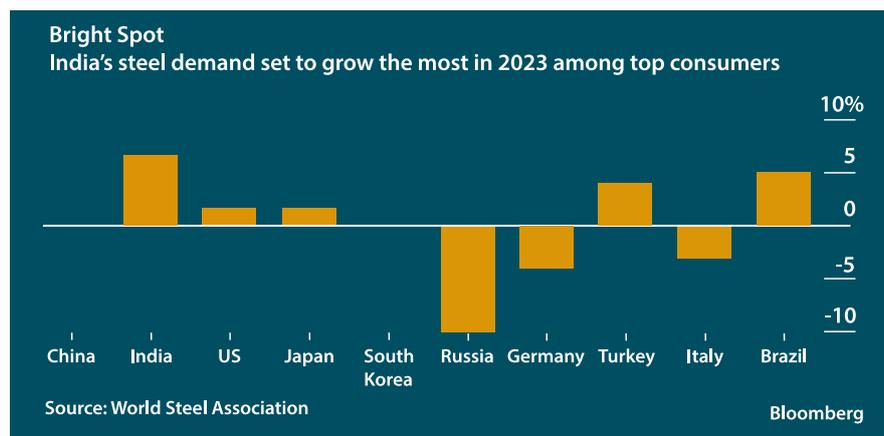
steel capacity in India stood at approximately 154 Million Tonnes per annum. The Indian steel sector contributes roughly 2% to India's GDP.

India set several goals for the steel sector, including becoming a net exporter of steel by 2025-26, increasing crude steel capacity to 300 Million Tonnes, raising per capita steel consumption to 160 Kg by 2030-31, fulfilling the domestic demand for high-grade automotive steel, special

steels and alloys and electrical steel for strategic applications by 2030-31 and reducing the import dependence on coking coal to 50% by 2030-31. To achieve these objectives, the government must incentivize private sector investment in the steel industry, facilitate the acquisition of technology and know-how for advanced steel production, focus on increasing the demand for steel through infrastructure development and urbanization, and develop quality standards for domestic steel products. Moreover, the government should support

the industry in becoming a global leader in energy and raw material-

efficient steel production by 2030-31.



(Source: Economic Times, Business Standard, SP global, gmk.center)

Growth drivers

Capital goods industry: The capital goods industry currently consumes 11% of the total steel production, and it is anticipated to grow by 14-15% by the financial year 2025-26. This sector has the potential to increase its tonnage and market share in the coming years.

Automotive industry: In India, the automotive sector represents approximately 10% of the steel demand. It is projected to expand to a size of USD 260-300 Billion by 2026 and the demand for steel from this sector is expected to remain strong.

Infrastructure sector: The infrastructure industry currently consumes 9% of the total steel production and is anticipated to grow by 11% by the financial year 2025-26. With the increasing investments in infrastructure projects, the demand for long steel products is expected to rise in the coming years.

Railways: The budget outlay of ₹2.40 Lakh Crore for the railways in the Union Budget 2023-24 is the largest in history and is around nine times the amount given in 2013-14. The demand for steel will also be driven by the construction of foot over bridges, railway stations, and the laying of tracks and the manufacturing of rail coaches.

Airport: The number of operational airports stood at 140 in FY 2022-23. Under union budget 2023, Government proposed revival of

fifty additional airports, heliports, waterdromes and advance landing grounds for improving regional air connectivity.

Oil and gas: India's primary energy consumption from oil and gas is expected to increase to 10 Million barrels per day (mbpd) and 14 Billion cubic feet per day (bcfd) by 2040. As part of the 2023 budget, the government has planned to expand the National Gas Grid from 17,500 Km to 34,500 Km. This expansion is expected to lead to a surge in demand, which presents a lucrative opportunity for the steel industry.

PM Awas Yojana: The Union Budget 2023-24 has increased the budget allocation for PMAY by 66%, indicating the government's commitment to achieve the goal of housing for all by 2022. The credit-linked subsidy scheme, which provides interest subsidies to homebuyers, will be extended until 2027. This will create a higher demand for building materials, such as cement and steel.

Monsoon health: India's monsoon, which accounts for 70% of the country's annual rainfall and irrigates 60% of its net sown area, may be below-normal in 2023 due to an increasing likelihood of El-Nino, which could impact monsoon rainfall in the second half of the season. However, favourable factors such as Indian Ocean Dipole sea temperature changes are expected to drive good rainfall, which will increase rural income, benefiting the steel industry.

MSP of crops: The Government of India has raised the Minimum Support Price (MSP) for Rabi Crops in the Marketing Season 2023-24 to ensure that growers receive remunerative prices for their produce. The highest increase in MSP has been approved for lentil (Masur) at ₹500/- per quintal, followed by rapeseed and mustard at ₹400/- per quintal. Safflower sees an increase of ₹209/- per quintal, while wheat, gram and barley have been approved for an increase of ₹110/-, ₹100/-, and ₹100/- per quintal respectively. These changes are expected to have a positive impact on the rural income which will benefit the steel industry.

(Source: psuwatch.com, economicstimes.com, zawya.com)

Government initiatives

- The Union cabinet has approved the production-linked incentive (PLI) scheme for specialty steel, which is expected to attract investments worth ₹400 Billion and increase steel capacity by 25 Million Tonnes by the financial year 2026-27.
- The Indian government has signed a Memorandum of Understanding (MoU) with Russia to collaborate on research and development in the steel sector. The partnership will also involve the production of coking coal, a key ingredient in steel making.
- The Indian government has recently entered into a Memorandum of Cooperation (MoC) with the Ministry of

Economy, Trade and Industry of the Government of Japan, aimed at strengthening the steel sector through collaborative initiatives under the India-Japan steel dialogue framework.

- The government allocated ₹70.15 Crore to the Ministry of Steel under the Union Budget 2023-24.
- The Indian Government has approved the National Steel Policy (NSP) 2017, which aims to establish a globally competitive steel industry in India.
- The Ministry of Steel in India has established the Steel Research and Technology Mission of India (SRTMI) in collaboration with public

and private sector steel companies. The mission is industry-driven and aimed at leading research and development activities in the steel sector.

- The government's goal is to increase the current annual crude steel-making capacity of 150MT to 300MT, effectively doubling it.

The Union cabinet has approved the production-linked incentive (PLI) scheme for specialty steel, which is expected to attract investments worth ₹400 Billion and increase steel capacity by 25 Million Tonnes by the financial year 2026-27.

SWOT analysis

Strengths

- Abundant availability of raw materials, such as iron ore and coal.
- Large and diversified product portfolio.
- Well-established domestic market with high demand.
- Low labour costs.
- Increasing focus on technology and innovation.

Weaknesses

- High dependency on imported technology and equipment.
- Inadequate transportation infrastructure.
- Limited availability of skilled workforce.
- Heavy regulatory framework.
- Limited capacity utilization.

Opportunities

- China's supply chain disruption.
- Low per capita consumption in emerging economies.
- Positive growth of Indian economy.
- Unexplored rural market and government push for rural development.
- Low export market penetration.

Threats

- Poor Research and Development and threat of technology obsolescence.
- Increasing environmental regulations and carbon footprint concerns.
- Volatility in the availability and pricing of raw materials.
- Recession in other countries resulting in dumping of material.

Company review

Manaksia Steels Limited is a light engineering company that operates in multiple locations and produces various metal products through metal formation. Since 2014-15, your company has engaged in several manufacturing activities, with its primary focus being on steel flat products, including cold-rolled steel sheets, galvanized steel sheets and color-coated sheets. The major sources of revenue for your company in FY23 were color-coated steel sheets and coils accounting for 36.91% of revenues, followed by galvanized steel sheets, which contributed 27.94% of revenues, Hot rolled steel sheets and coils which contributed 22.02% of revenues and cold-rolled steel sheets and coils, accounting for 6.70% of revenues.

Product portfolio

Your company manufactures and sells value-added steel products comprising:

Cold rolled sheets are used in the interior and exterior panels of automobiles, buses and commercial vehicles, accounting for 6.70% of the revenue for FY23.

Galvanized corrugated sheets are used in the rural housing sector and factory buildings, accounting for 26.42 % of the revenue for FY23.

Galvanized plain sheets are used in the manufacture of containers and water tanks, accounting for 1.52 % of the revenue for FY23.

Pre-painted galvanized sheets and coils are used in construction and architectural applications, such as roofing, cladding and panelling, accounting for 36.91% of the revenue for FY23.

Financial review

Revenues: Revenue from operations reported a 27.15% growth from ₹504.52 Crore in 2021-22 to reach ₹641.48 Crore in 2022-23. Other income of your company reported a 12 % decline due to reduced rate of Fixed deposits.

Expenses: Total expenses increased by 34.07% from ₹465.72 Crore in 2021-22 to ₹624.41 Crore in 2022-23 due to the increased scale of operations. Raw material cost, accounting for a 87.57% share of your company's revenues increased by 41.51% from ₹396.98 Crore in 2021-22 to ₹561.76 Crore in 2022-23 owing to an increase in the operational scale. Employees expenses accounting for a 2.09% share of your company's revenues increased by 1.76% from ₹13.17 Crore in 2021-22 to ₹13.40 Crore in 2022-23.

Key Ratios

Particulars	2022-23	2021-22
EBITDA/turnover (%)	3.79	9.32
EBITDA/net interest ratio (x)	9.84	58.21
Debt-equity ratio	0.16	0.03
Return on net worth (%)	4.69	12.42
Book value per share (₹)	43.01	39.29
Earnings per share (₹)	1.93	4.51
Debtors turnover ratio	37.98	28.37
Inventory turnover (days)	51.93	65
Interest coverage ratio (x)	7.66	51.24
Current ratio (x)	3.44	6.17
Net profit margin (%)	1.97	5.86

Internal control systems and their adequacy

Your Company has implemented robust internal control procedures that are appropriate for its size and operations. The Board of Directors oversees the internal control system, establishes guidelines, and ensures that it is sufficient, effective and applied. The internal control system is designed to ensure efficient management, the ability to measure and verify outcomes, and the reliability of accounting and management information through the use of SAP. Furthermore, the system ensures compliance with

all relevant laws and regulations while protecting your Company's assets. Its purpose is to identify and manage your Company's risks in a timely and effective manner, including operational, compliance-related, economic, and financial risks.

Human resources

The human resource practices at Manaksia Steels have been instrumental in reinforcing its position as a market leader. Your Company has made significant investments in both formal and informal training, as well as on-

the-job learning, to help employees develop their skills and knowledge. Additionally, your Company places great emphasis on engaging with its employees, by creating an enriched workplace environment, offering challenging job profiles, and maintaining regular dialogues with management. By creating leaders from within, your Company is able to strengthen its prospects for the future. As of March 31st, 2023, Manaksia Steels had a total of 182 employees on its staff.

Cautionary statement

This statement made in this

section describes your Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward- looking statements are based on certain assumptions

and expectations of future events. Your company cannot guarantee that these assumptions and expectations are accurate or will be realized by your company. Actual result could differ materially from those expressed in the statement or implied due to the influence of

external factors which are beyond the control of your company. Your company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments.

Risk management

Economic risk

The steel industry growth may be negatively affected by an economic slowdown.

Mitigation - The Indian economy grew by 7.2% in 2022-23, rebounding from the sharp contraction of 8.7% in 2021-22. Your company plans to take advantage of the favorable macroeconomic conditions and growth potential in the steel industry, which is characterized by low per capita consumption figures.

Currency volatility risk

Fluctuations in foreign exchange rates can have an impact on the profitability of product exports and imports.

Mitigation - Your company mitigated risk by implementing timely and effective hedging strategies to protect its receivables and payables.

Employee risk

The steel industry is characterized by high attrition rates and a struggle to attract and retain skilled professionals..

Mitigation - Nearly 95% of the employees were associated with your company for more than 10 years. The retention of senior management executives stood at 100% in FY 2022-23.

Funding risk

Your company's inability to fund its capital expenditures could have a significant impact on its business operations.

Mitigation - Your company has surplus funds and is able to fund its capital expenditures primarily through internal accruals, thereby minimizing external risk.

Competition risk

The market share of your company may be impacted by the entry of new players.

Mitigation - To counter the potential impact of new competitors, your company is expanding its production capabilities and offering cost-effective value-added products. Your company also plans to increase its market penetration in new geographies and acquire new customers while increasing its share of business with existing customers.

Quality risk

A decline in the quality of your company's products could negatively impact its brand reputation and revenues.

Mitigation - The operations of your company are subject to stringent quality standards mandated by customers, quality agencies, and certifications such as ISO 9001:2015. Additionally, your company is registered with the Bureau of Indian Standards and all its products carry the ISI mark, indicating compliance with national quality standards.

Corporate Information

Manaksia Steels Limited

(CIN: L27101WB2001PLC138341)

Directors

Mr. Varun Agrawal – Managing Director

DIN : 00441271

Mr. Suresh Kumar Agrawal

DIN : 00520769

Dr. Kali Kumar Chaudhuri

DIN : 00206157

Mr. Ajay Kumar Chakraborty

DIN : 00133604

Mr. Ramesh Kumar Maheshwari

DIN : 00545364

Mr. Mrinal Kanti Pal

DIN: 00867865

Mrs. Nidhi Baheti

DIN : 08490552

Chief Executive Officer

Mr. Vineet Agrawal

Company Secretary

Mr. Ajay Sharma

Chief Financial Officer

Mr. Rajesh Singhania

Auditors

Agrawal Tondon & Co.

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.

Vaishno Chambers, 6 Brabourne Road,
Room No.502 & 503, 5th Floor, Kolkata - 700001

Registered Office

Turner Morrison Building,

6 Lyons Range, 1st Floor, Kolkata – 700001

Bankers

Axis Bank Limited

HDFC Bank Limited

IDBI Bank Limited

IndusInd Bank Limited

Yes Bank Limited

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 22nd (Twenty Second) Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2023.

FINANCIAL RESULTS

₹ in Lacs

PARTICULARS	STANDALONE		CONSOLIDATED	
	2022-23	2021-22	2022-23	2021-22
Total Revenue	64,870.89	51,274.85	74,964.25	61,915.58
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	2,429.37	4,702.37	3,131.88	6,135.74
Profit Before Tax (PBT)	1,644.62	4,058.69	1,710.80	4,893.43
Less: Tax Expenses				
- Current Tax	333.76	1,065.50	400.72	1,156.34
- Deferred Tax	46.02	37.21	91.54	205.36
Profit for the period	1,264.84	2,955.98	1,218.54	3,531.71
Other Comprehensive Income / (Loss)	1,176.56	924.19	1,216.54	791.07
Total Comprehensive Income for the period	2,441.40	3,880.17	2,435.08	4,322.78
Balance brought forward from previous year	12,273.29	8,393.12	13,132.40	8,809.63
Total Amount available for appropriation	14,714.69	12,273.29	15,567.48	13,132.40
Appropriations:				
Transfer to General Reserve	-	-	-	-
Surplus Carried to Balance Sheet	14,714.69	12,273.29	15,567.48	13,132.40
Total	14,714.69	12,273.29	15,567.48	13,132.40

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Kindly refer to 'Management Discussion and Analysis Report' which forms part of this Annual Report.

CHANGES IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the year under review.

DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its future and therefore do not propose any dividend for the Financial Year ended 31st March, 2023.

No amount was required to be transferred to Investor Education and Protection Fund (IEPF) during the period under review.

TRANSFER TO RESERVES

The Board did not propose any amount for transfer to the General Reserve.

CHANGES IN SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March, 2023 stood at ₹655.34 Lacs. During the year under review, the Company has not issued any further shares.

DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT

Details of shares held in the demat suspense account as required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations") forms a part of the Corporate Governance Report.

DETAILS UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS 'THE ACT') IN RESPECT OF ANY SCHEME OF PROVISIONS OF MONEY FOR PURCHASE OF OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES

There were no such instances during the year under review.

OPERATIONS AND BUSINESS PERFORMANCE

During the Financial Year 2022-23, the performance of the Company remained commendable in view of the sector's performance. Your Company reported 27% revenue growth from operations at a standalone level and 22% growth at a consolidated level. The cost of raw materials and lower price realization remained a concern. The competence of your management enabled the company to sustain performance in line with expectations. Other income comprised 1% of total

income, indicating the Company's principal focus on core operations. The management is optimistic of prospects, introducing a new product called Alu-Zinc and expanding its installed capacity by 100,000 MTPA. Alu-Zinc (55% aluminium and 45% zinc on a cold rolled strip) is corrosion-resistant and an excellent substrate in colour coating. The expansion is positioned to increase production capacity, revenue and profit realization. The expansion cost of around Rs. 80 Crores will be largely funded from internal accruals. The new product variant is expected to be launched in the domestic market during the first quarter of FY 2024-25.

Further, the details of operation and business performance of the Company has been elaborated in the 'Management Discussion and Analysis Report' forming part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) read with Para B to Schedule V of the Listing Regulations forms part of this Annual Report.

DETAILS RELATING TO MATERIAL VARIATIONS

The Company has not issued any prospectus or letter of offer during the last five years and raised no money from public and as such the requirement for providing the details relating to material variation is not applicable to the Company for the year under review.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There is no material change and commitment of the Company during the period between the end of the Financial Year 2022-23 and the date of this report which can affect the financial position of the Company for the year under review.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and 134(2)(a) of the Act, draft Annual Return in Form MGT-7 has been uploaded on the website of the Company and the web link thereto is https://www.manaksiasteels.com/pdf/MGT-7_FY 2022-23.

The final Annual Return in Form MGT-7 will be filed with the MCA, as per the provisions of the Act and shall also be uploaded on the website of the Company.

CORPORATE GOVERNANCE REPORT

The Company follows the corporate governance guidelines and best practices sincerely and discloses timely and accurate information regarding the operations and performance of the Company.

Pursuant to Regulation 34 read with Para C to Schedule V of the Listing Regulations, a Report on Corporate Governance along with a certificate from the Statutory Auditors of the Company confirming compliance with the conditions of the Corporate Governance is forming part of this Directors' Report and marked as **Annexure-"A"**.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The details of number of meetings of the Board of Directors of the Company held during the year have been provided in the Corporate Governance Report forming part of this Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls (IFC) and compliance systems established and maintained by the Company, work performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's IFC were adequate and effective during Financial Year 2022-23.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors of the Company, to the best of its knowledge and ability, confirms that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year 2022-23 and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts had been prepared on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Changes in Directors and Key Managerial Personnel

During the year under review, there were no changes in the composition of Board of Directors of the Company.

Retirement by Rotation

In accordance with the provision of Section 152 of the Act read with Article 87(1) of the Articles of Association of the Company, Mr. Varun Agrawal (DIN: 00441271), Managing Director, is liable to retire by rotation at the ensuing 22nd Annual General Meeting and being eligible, offer himself for re-appointment.

Independent Directors

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

All the Independent Directors of the Company have registered themselves with the Independent Directors' Data Bank maintained by the Indian Institute of Corporate Affairs. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of two years from the date of inclusion of their names in the data bank unless they fall within the exempted category. The Independent Directors who were not falling within exempted category have qualified the online self-assessment proficiency test. In the opinion of the Board, all the Independent Directors of the Company possesses requisite integrity, expertise and experience.

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India (ICSI) has issued Secretarial Standard-1 (SS-1) on 'Meeting of the Board of Directors' and Secretarial Standard-2 (SS-2) on 'General Meeting' and both the Secretarial Standards have been approved by the Central Government under section 118(10) of the Act. Pursuant to the provisions of section 118(10) of the Act, it is mandatory for the Company to observe the secretarial standards with respect to the Board Meeting and General Meeting. The Company has adopted and followed the set of principles prescribed in the respective Secretarial Standards for convening and conducting Meetings of Board of Directors, General Meeting and matters related thereto. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

STATUTORY AUDITOR AND AUDITORS' REPORT

M/s. Agrawal Tondon & Co., Chartered Accountants, (Firm Registration No. 329088E) had been appointed as Statutory Auditors of the Company at the 18th Annual General Meeting (AGM) of the Company held on 25th September, 2019, for a period of five consecutive years to hold office from the conclusion of the 18th AGM till the conclusion of the 23rd AGM of the Company on such remuneration as may be determined by the Board of Directors based on the recommendation of the Audit Committee and mutually agreed by the Statutory Auditors, in addition to the reimbursement of out-of-pocket expenses, as may be incurred by them for the purpose of audit.

There is no observation (including any qualification, reservation, adverse remarks or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. The specific notes forming part of the accounts referred to in Auditor's Report are self-explanatory and give complete information.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A of the Listing Regulations, the Board of Directors of the Company had appointed M/s. MKB & Associates, Practicing Company Secretaries, Kolkata as Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year 2022-23.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report in Form MR-3 as given by the Secretarial Auditors for the Financial Year ended 31st March, 2023, forms a part of the Directors' Report and marked as **Annexure-"B"**.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances. There are no observations (including any qualifications, reservations, adverse remarks or disclaimer) of the Secretarial Auditors in their Audit Report that may call for any explanations from the Director's of the Company.

The Company has appointed M/s. Bajaj Todi & Associates, Practicing Company Secretaries, Kolkata to carry out necessary audit in terms of Regulation 24A of the Listing Regulations. The Annual Secretarial Compliance Report received from M/s. Bajaj Todi & Associates was placed before the Board and had been filed with the Stock Exchanges where the Securities of the Company are listed.

COST AUDITORS

Pursuant to the requirement of Section 148 of the Act, cost audit is applicable on your Company for manufacturing

items covered under Rule 3 of the Companies (Cost Records and Audit) Rules, 2014. The Board of Directors of your Company on the recommendation of the Audit Committee had appointed M/s B. Mukhopadhyay & Co, Cost Accountants, Kolkata as Cost Auditors of the Company for the Financial Year 2022-23. As required under the Act, the remuneration payable to the Cost Auditors for FY 2022-23 was ratified by the shareholders in the AGM held on 27th September, 2022.

The Board, pursuant to the provisions of Section 148 of the Act, read with Companies (Cost Records and Audit) Rules, 2014 has re-appointed M/s B. Mukhopadhyay & Co, Cost Accountants, Kolkata as the Cost Auditors of the Company for the Financial Year 2023-24 and accordingly, a resolution for seeking Members ratification for the remuneration payable to the Cost Auditors for the FY 2023-24, would be placed before the forthcoming 22nd AGM of the Company. The Cost Auditors are expected to file the cost audit report with Central Government within the specified period.

FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Act to the Audit Committee or the Board of Directors during the financial year under review.

DISCLOSURE ON EMPLOYEE STOCK OPTION/ PURCHASE SCHEME

During the year under review, your Company has not provided any employee stock option / purchase scheme.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

The full particulars of the loans given, investments made, guarantees given or security provided and the purpose for which the loan or investment or guarantee or security is proposed to be utilised as per the provisions of Section 186 of the Act are provided in the notes to the Financial Statements (Refer note no. 36).

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

In compliance with the provisions of the Act and the Listing Regulations, Related Party Transactions (RPTs) were placed before the Audit Committee for approval. Omnibus approval of the Audit Committee was obtained on yearly basis for the transactions which are foreseen and repetitive in nature. In accordance with the requirement of Regulation 23 of Listing Regulations, the material RPTs entered into by the Company during the FY 2022-23 were approved by shareholders through Postal Ballot. The transactions pursuant to the omnibus approval so granted were reviewed periodically and a detailed quarterly statement of all Related Party Transactions duly certified by the Chief Financial Officer of the Company was placed before the Audit Committee. The policy on RPTs, as approved by the Board, is available on the Company's website at <http://www.manaksiasteels.com> and the weblink thereto <https://www.manaksiasteels.com/Policy-on-Related-Party-Transactions.pdf>

<https://www.manaksiasteels.com/Policy-on-Related-Party-Transactions.pdf>

During the year under review, all RPTs were on Arm's Length Price basis and in the Ordinary Course of Business. The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act in the prescribed Form AOC-2, forms part of this Annual Report.

There was no other material RPTs entered into by the Company with Promoters, Directors, KMPs or other designated persons during the FY 2022-23.

In compliance with the requirements of Regulation 23 of Listing Regulations and the Act, shareholders' approval shall be taken for material related party transactions to be entered into by the Company and/or its subsidiaries during the FY 2023-24.

There are no materially significant transactions entered into by your Company with Promoters, Directors or Key Managerial Personnel (KMPs), which have potential conflict with the interest of the Company at large.

PARTICULARS OF LOANS/ADVANCES/INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS

The details of related party disclosures with respect to loans/ advances/ investments at the year end and maximum outstanding amount thereof during the year as required under Para A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company. (Refer note no. 4 & 8).

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details required pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo forms part of this Directors Report and marked as **Annexure-"C"**.

RISK MANAGEMENT SYSTEM

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

The Company has structured Risk Management System, designed to safeguard the organization from various risks through adequate and timely actions. The Company manages, monitors and reports on its risks and uncertainties that can impact its ability to achieve its objectives. The major risks have been identified by the Company and its mitigation process/ measures have been formulated.

AUDIT COMMITTEE

The Company pursuant to the provisions of Section 177 of the Act read with Regulation 18 of the Listing Regulations, has in place an Audit Committee. The Committee focuses on certain specific areas and makes informed decisions in line with the delegated authority and function according to the roles and defined scope. The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

There were no such instances wherein the Board had not accepted recommendation of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Company pursuant to the requirement of provisions of Section 178(1) of the Act read with Regulation 19 of the Listing Regulations has in place the Nomination and Remuneration Committee. The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

The Company, pursuant to provisions of Section 178 of the Act and Regulation 19 read with Para A of Part D of Schedule II of the Listing Regulations, upon recommendation of Nomination and Remuneration Committee has devised a Remuneration Policy applicable to all Executives of the Company i.e. Directors, Key Managerial Personnel and Senior Management. The said policy has been uploaded on the website of the Company and the weblink is <https://www.manaksiasteels.com/RemunerationPolicy.pdf>

There were no such instances wherein the Board had not accepted recommendation of the Nomination and Remuneration Committee.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As required by the provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations, the Company has in place the Stakeholders Relationship Committee. The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility Committee (hereinafter referred to as "CSR Committee") in accordance with Section 135 of the Act and Rules made thereunder. The composition and the detailed terms of reference of the CSR Committee are provided in the Corporate Governance Report. The CSR activities are *inter-alia*, focused on improving literacy among rural tribal people, promoting education and healthcare.

The report on CSR activities pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 forms part of this Directors' Report and marked as **Annexure-"D"**.

The Company has formulated CSR Policy indicating the activities to be undertaken by the Company. The Policy has also been uploaded on the Company's website and the weblink thereto is: <https://www.manaksiasteels.com/CorporateSocialResponsibility.pdf>

There were no such instances wherein the Board had not accepted recommendation of the CSR Committee.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted Internal Complaint Committee in compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Any employee may report his/ her complaint to the Internal Complaint Committee formed for this purpose. The Company affirms that during the year under review, adequate access was provided to any complainant who wished to register a complaint. During the year, the Company has not received any complaint on sexual harassment.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and Regulation 25 of the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees. Pursuant to the provisions of the Act and Regulation 25 of the Listing Regulations read with the Guidance Note on Board Evaluation of SEBI dated 5th January, 2017, the NRC Committee has laid down the criteria for performance evaluation, in a structured questionnaire form after taking into consideration various aspects of the Boards functioning, composition of the Board and its Committees, culture, execution, diligence, integrity, awareness and performance of specific laws, duties, obligations and governance, on the basis of which, the Board has carried out the Annual Evaluation of its own performance, the performance of Board Committee and of Directors individually, by way of individual and collective feedback from Directors. Further, pursuant to para VII of Schedule IV of the Act and provisions of the Listing Regulations, the Independent Directors of the Company, without participation of Non-Independent Directors and Members of Management, convened a separate meeting on 27th May, 2022, to *inter-alia* perform the following:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The criteria for evaluation are briefly provided below:

The review of performance of Non-Independent Directors was done, after discussing with them on various parameters, such as, skill, competence, experience, degree of engagement, ideas & planning, etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board Members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board Members, etc. The evaluation of Independent Directors has been done by the entire Board of Directors which includes performance of the Directors and fulfillment of the independence criteria and their independence from the Management as specified in the Listing Regulations.

The Board of Directors of the Company expressed their satisfaction towards the process of review and evaluation of Board, its Committees and of Individual Directors during the year under review and also concluded that no further action is required based on the current year's observations.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Regulation 25(7) of the Listing Regulations, your Company is required to conduct Familiarization Programme for Independent Directors (IDs) to familiarize them about your Company including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 46 of Listing Regulations, the Company is required to disseminate on its website, details of Familiarization Programme imparted to IDs including the details of:

- i) number of programmes attended by IDs (during the year and on a cumulative basis till date),
- ii) number of hours spent by IDs in such programmes (during the year and on a cumulative basis till date), and;
- iii) other relevant details.

Familiarization Programme undertaken for Independent Directors is provided at the following weblink: <https://www.manaksiasteels.com/DetailsOfFamiliarisationProgrammeFY-2022-23.pdf>

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules,

2014, the details containing salient features of the Financial Statements of subsidiary companies/ associate companies/ joint ventures in Form AOC-1 forms a part of this Annual Report.

The details of performance of the Subsidiary Companies are as follows:

Foreign Subsidiaries:

Technomet International FZE

This Company is a subsidiary of Manaksia Steels Limited. The Revenue of the Company during the year ended 31st March, 2023 stood at NIL. During the said period the Company had a net loss of AED 4.74 Lacs (equivalent to ₹103.70 Lacs).

Federated Steel Mills Limited

This Company is a subsidiary of Technomet International FZE. The Revenue of the Company during the year ended 31st March, 2023 stood at Naira 54632.14 Lacs (equivalent to ₹10114.14 Lacs). During the said period the Company had a net gain of Naira 286.08 Lacs (equivalent to a net profit of ₹52.96 Lacs).

Far East Steel Industries Limited

This Company is a subsidiary of Technomet International FZE. There was no Revenue of the Company during the year ended 31st March, 2023.

Sumo Agrochem Limited

This Company is a subsidiary of Technomet International FZE. The Revenue of the Company during the year ended 31st March, 2023 stood at Naira 7.15 Lacs (equivalent to ₹1.32 Lacs). During the said period the Company had a net loss of Naira 24.62 Lacs (equivalent to a net loss ₹4.56 Lacs).

Except as stated hereinabove, the Company does not have any joint venture or associate company during the year under review. Further, the Company has not formed any new Subsidiary, Joint Ventures or Associate Company. Metchem Resources Zambia Limited has ceased to be the Associate Company of the Company during the year.

MATERIAL SUBSIDIARY COMPANIES

In accordance with Regulation 16(1)(c) of the Listing Regulations, material subsidiary shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Federated Steel Mills Limited is a material subsidiary of the Company. The Company has formulated a Policy for determining Material Subsidiaries in accordance with the Listing Regulations, and the said Policy for determining Material Subsidiaries is available at the

following weblink: <https://www.manaksiasteels.com/PolicyForDeterminingMaterialSubsidiaries.pdf>

DEPOSITS

The Company has neither accepted nor renewed any deposits during the Financial Year under review in terms of the provisions of Chapter V of the Act.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which may impact its going concern status and its operations in future.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. To commensurate the internal financial control with its size, scale and complexities of its operations, the Board based on the recommendation of the Audit Committee had appointed KASG & Co., (Firm Regn. No. 002228C) as Internal Auditors of the Company.

The Audit Committee reviews the Report submitted by the Internal Auditors. The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems. In this regard, the Board confirms the following:

- a) Systems have been laid down to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
- b) Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and timely preparation of reliable financial information.
- c) Access to assets is permitted only in accordance with the management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with the terms of employment or except as specifically permitted.
- d) The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to differences, if any.
- e) Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Act and the Listing Regulations, the Company has framed a Whistle Blower Policy to establish a vigil mechanism for Directors and employees to report genuine concerns about actual or suspected unethical behavior, malpractice, wrongful conduct, discrimination, sexual harassment, fraud, violation of the Company's policies including Code of Conduct without fear of reprisal/ retaliation. The Whistle Blower Policy/ Vigil Mechanism has also been uploaded on Company's website and the weblink thereto is:

<https://www.manaksiasteels.com/WhistleBlowerPolicy.pdf>

DETAILS OF THE APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AT THE END OF THE FINANCIAL YEAR

The Company has filed an application under the Insolvency and Bankruptcy Code, 2016, as a Financial Creditor claiming Principal Amount of ₹19,48,707/- before the Resolution Professional for Corporate Debtor, BKM Industries Ltd. The claim has been admitted. Application for sanctioning of resolution plan is pending before Hon'ble NCLT.

No application has been filed or pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF THE DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

There was no one time settlement made with the Banks or Financial Institutions during the Financial Year 2022-23 and accordingly no question arises for any difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking loan from Banks or Financial Institutions during the year under review.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosure pertaining to remuneration and other details as required under the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this Directors' Report and marked as **Annexure – "E"**.

Details of employees of the Company drew remuneration in excess of the limits specified under the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in **Annexure – "E"** of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of the Act and Listing Regulations, the Consolidated Financial Statements of the Company and its subsidiaries are attached. The Consolidated Financial Statement has been prepared in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India and sets out the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiaries.

ACKNOWLEDGEMENT

Your Company continues its relentless focus on strengthening competition in all its businesses. It is the endeavour of your Company to deploy resources in a balanced manner so as to secure the interest of

shareholders in the best possible manner in short, medium and long terms.

Your Directors convey their grateful appreciation for the valuable patronage and co-operation received and goodwill enjoyed by the Company from its esteemed Customers, Commercial Associates, Banks, Financial Institutions, Central and State Government, various Government and Local Authorities, other stakeholders and the media.

Your Directors also wish to place on record their deep sense of appreciation to all the employees at all levels for their commendable team-work, professionalism and enthusiastic contribution towards the working of the Company.

Your Directors look forward to the future with hope and conviction.

For and on behalf of the Board of Directors

Place: Kolkata
Date : 25th May, 2023

Varun Agrawal
Managing Director
DIN: 00441271

Mrinal Kanti Pal
Director
DIN: 00867865

Corporate Governance Report

Your Company has complied with the provisions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A report on the implementation of Corporate Governance by the Company as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below.

Philosophy of the Company on Corporate Governance

The philosophy of the Company on Corporate Governance is to ensure adoption of high standard of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business and compliance with regulatory guidelines on Governance. The Company has adopted the principles of good Corporate Governance and is committed to adopt best relevant practices for Governance to achieve the highest levels of transparency and accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. As such the Company aims at always remaining progressive, competent and trustworthy, creating and enhancing value of stakeholders and customers to their complete satisfaction. The Company continues to focus its resources, strengths and strategies to achieve the core values of quality, trust, leadership and excellence.

BOARD OF DIRECTORS

Composition of the Board

As on 31st March, 2023, the Board comprised of seven directors of whom four are Independent Directors (including One Independent Woman Director), one is an Executive Director and two are Non-Executive Directors. The composition of the Board of Directors is in conformity with the Companies Act, 2013 (hereinafter referred to as "the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

Number of Board Meetings held and attended by Directors

During the financial year 2022-23, six meetings of the Board of Directors of the Company were held and gap between any two consecutive meetings did not exceed 120 days. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting. The dates on which the Board meetings were held are 11th April, 2022, 12th May, 2022, 27th May, 2022, 10th August, 2022, 10th November, 2022 and 14th February, 2023. The attendance record of each of the directors at the Board Meetings held during the year ended 31st March, 2023 and of the last Annual General Meeting is as under:

Name of the Directors	Category of Directors	Number of Board Meetings held during FY 2022-23	Number of Board Meetings attended during FY 2022-23	Whether attended AGM held on 27th September, 2022	Number of Directorship in other Public Limited Companies* (including this Company)		Number of Committee positions held in other Public Limited Companies** (including this Company)		Directorship in other Listed Companies	
					Chairperson of the Board	Board Member	Chairperson of the Committee	Committee Member	Name of the Listed Entity	Category of Directorship
Mr. Ajay Kumar Chakraborty DIN: 00133604	NEI	6	2	Yes	2	3	2	2	Manaksia Coated Metals & Industries Limited	NEI/Chairman
									Manaksia Aluminium Company Limited	NEI/Chairman
Dr. Kali Kumar Chaudhuri DIN: 00206157	NEI	6	5	Yes	None	4	1	4	Duroply Industries Limited	NEI
									Manaksia Limited	NEI
Mrs Nidhi Baheti DIN: 08490552	NEI	6	6	Yes	None	3	None	3	Manaksia Limited	NEI
Mr. Mrinal Kanti Pal DIN: 00867865	NED	6	5	Yes	None	1	None	None	-	-
Mr. Suresh Kumar Agrawal DIN: 00520769	PD/ NED	6	4	Yes	None	3	None	1	Manaksia Limited	PD/MD
Mr. Varun Agrawal DIN: 00441271	PD/MD	6	6	Yes	None	4	None	4	Manaksia Limited	PD/NED
Mr. Ramesh Kumar Maheshwari DIN: 00545364	NEI	6	6	Yes	None	3	None	4	Manaksia Limited	NEI

PD: Promoter Director; MD: Managing Director; NEI: Non-Executive Independent Director, NED: Non-Executive Director, WTD: Whole Time Director.

* This excludes Directorship held in Indian Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Act.

** Committee refers to Audit Committee and Stakeholders Relationship Committee.

None of the Directors hold Directorship in more than the permissible number of companies prescribed under the Act or Directorships / Membership / Chairpersonship of Board Committees as permissible under Regulations 25 and 26 of the Listing Regulations.

Shares/ Convertible instruments held by the NEDs

The number of Shares held by Non-Executive Directors as on 31st March, 2023 are as follows

Name of Non- Executive Directors	No. of Shares Held
Mr. Suresh Kumar Agrawal	1,23,50,360
Mr. Mrinal Kanti Pal	400

Disclosures of relationships between Directors *inter-se*:

Mr. Suresh Kumar Agrawal and Mr. Varun Agrawal are relatives within the meaning of section 2(77) of the Act. None of the other directors of the Company, except the aforesaid, have any relationship *inter-se*.

Independent Directors

The Company has ensured that the persons, who have been appointed as the Independent Directors of the Company, have the requisite qualifications and experience which they would continue to contribute and would be beneficial to the Company. In terms of requirement of Section 149(7) of the Act read with Rules made thereunder and Listing Regulations, all Independent Directors have given declaration that they meet the criteria of independence as stated in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The requisite papers were placed before the Board. In the opinion of your Directors, the Independent Directors fulfil the conditions specified in the Listing Regulations and they are independent of the management. None of the Independent Directors of the Company have resigned during the Financial year 2022-23.

Formal letter of Appointment

A formal letter of appointment of Independent Directors had been issued at the time of appointment/re-appointment. The terms and conditions of their appointment are disclosed on the website of the Company at the following weblink:

<https://www.manaksiasteels.com/TermsAndConditionsOfAppointmentOfIndependentDirectors.pdf>

Performance Evaluation

• Board of Directors

As per the applicable provisions of the Act and Listing Regulations and based on the Guidance Note on Board Evaluation of SEBI dated 5th

January, 2017, the Board carries out an annual evaluation of its own performance, as well as the working of its Committees. The Board works with the Committees to lay down the criteria for the performance evaluation. The contribution and impact of individual Directors is reviewed through a peer evaluation on parameters such as level of engagement and participation, flow of information, independence of judgement, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. Feedback-cum-assessment of individual Directors, the Board as a whole and its Committees is conducted. The feedback obtained are discussed in detail and, where required, independent and collective action points for improvement are put in place.

• Independent Directors

Performance evaluation of Independent Directors was done by the entire Board of Directors excluding the director being evaluated. On the basis of that evaluation the performance of the Independent Directors have been found satisfactory and the Board of Directors were of the view that the performance of the Independent Directors is beneficial for the Company. The parameters used by Board of Directors for the performance evaluation of Independent Directors *inter-alia* include:

- i) Roles and responsibilities to be fulfilled as an Independent Director;
- ii) Participation in Board Processes

Separate Meeting of the Independent Directors

During the Financial Year 2022-23, as per the requirement of Schedule IV of the Act and Listing Regulations, one separate meeting of Independent Directors was held on 27th May, 2022 without the presence of the Non-Independent Directors and the members of the management to discuss *inter-alia* the following:

- a. Performance of Non-Independent Directors and the Board as a whole; and
- b. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

Familiarization Programme for the Independent Directors

The Company has organised a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the operation of the Company, its business, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuing basis.

During the financial year 2022-23, on an ongoing basis as a part of Agenda of Board/ Committee Meetings, Independent Directors regularly discuss on various matters *inter-alia* covering the Company's and the businesses & operations of its subsidiaries, industry and regulatory updates, strategy, finance, risk management

framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

The details of Familiarization Programme for Independent Directors is provided at the following weblink:

<https://www.manaksiasteels.com/DetailsOfFamiliarisationProgrammeFY-2022-23.pdf>

Non-Executive Directors

Non-Executive Directors, including Independent Directors, play a crucial role in imparting balance to the Board processes by bringing independent judgement

on issues of strategy, performance, resources, standards of Company's conduct etc.

Expertise and Competency of the Board of Directors

The Board of Directors of the Company comprises of highly qualified members who possess required skills, expertise and competence that allow them to make effective contribution to the Board and its Committees.

The Directors possess required skills / expertise / competencies as identified by the Board, for efficient functioning of the Company in the context of the Company's businesses and sectors are tabulated below:

Core skills/competencies/expertise	Mr. Varun Agrawal	Mr. Suresh Kumar Agrawal	Dr. Kali Kumar Chaudhuri	Mr. Ajay Kumar Chakraborty	Mr. Ramesh Kumar Maheshwari	Mr. Mrinal Kanti Pal	Mrs. Nidhi Baheti
Understanding of Business/Industry	√	√	√	√	√	√	√
Strategy and strategic planning	√	√	√	√	√	√	√
Critical and innovative thoughts	√	√	√	√	√	√	√
Financial understanding	√	√	√	√	√	√	√
Market understanding	√	√	√	√	√	√	√
Board Cohesion	√	√	√	√	√	√	√
Risk and compliance oversight	√	√	√	√	√	√	√

Board Agenda

The meetings of the Board are governed by a structured agenda. The Agenda for the Board Meeting covers items set out as per the requirements of the Act and Listing Regulations to the extent these are relevant and applicable. The Managing Director and the Chairperson of the Meeting ensures that relevant issues are on the Board agenda and the Board is kept informed on all matters of importance. All agenda items are supported by relevant information and documents to enable the Board to take informed decisions. Members of the Senior Management are occasionally present in the meeting as special invitees, as and when required. The Notice and Agenda of each Board Meeting is given in advance to all Directors in compliance with the requirements of the Secretarial Standards.

Information placed before the Board

Necessary information as required under statute and as per the guidelines on Corporate Governance are placed before the Board, from time to time. The Board periodically reviews compliances of various laws applicable to the Company and the items required to be placed before it. Draft minutes are circulated amongst the Directors for their comments within the period stipulated under the applicable law. The minutes of the proceedings of the meetings are entered in the Minutes Book and thereafter signed by the Chairperson of the meeting or by the Chairperson of the next meeting.

Code of Conduct

The Company has adopted a "Code of Conduct" for Board Members and Senior Management of the Company. The Code anchors ethical and legal behaviour within the organisation. The Code is available on the Company's website at the following weblink: <https://www.manaksiasteels.com/CodeOfConductBoardMembers.pdf>

All Board members and senior management executives have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is forming part of this Report.

Pursuant to the provisions of Section 149(8) of the Act, the Independent Directors shall abide by the provisions specified in Schedule IV to the Act, which lay down a code for Independent Directors. The said Schedule forms part of the appointment letter of the Independent Directors.

WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. The Whistle Blower Policy provides for sufficient guard against any possible victimisation of Whistle Blower. No personnel have been denied access to the Audit Committee. The

Whistle Blower Policy of the Company is available on the Company's website at the following weblink, <https://www.manaksiasteels.com/WhistleBlowerPolicy.pdf>

BOARD COMMITTEES

The Board of Directors of the Company play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as and when appropriate and required. The Company has five Board level committees:

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Committee of Directors

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees. The minutes of all the Board and Committee meetings are placed before the Board and noted by the Directors present at the meetings. The role and composition of the Committees including the number of meeting(s) held and the related attendance during financial year 2022-23 are as follows:

Audit Committee

The Company has in place a qualified and independent Audit Committee. The terms of reference of the Audit Committee includes the powers as laid down in Regulation 18(2)(c) and role as stipulated in Regulation 18(3) of the Listing Regulations read with Section 177 of the Act. The Audit Committee also reviews the information as per the requirement of Regulation 18(3) of the Listing Regulations read with Section 177 of the Act.

The brief description of the terms of reference of the Audit Committee *inter-alia* includes the following:

- (a) Overview of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Review with the management, quarterly and annual financial statements before submission to the Board.
- (c) Review with the management, performance of the statutory and internal auditors and adequacy of Internal Control system.
- (d) Recommending to the Board, re-appointment of Statutory Auditors and the fixation of their Audit Fees.
- (e) Recommending to the Board, terms and conditions for appointment of Cost Auditor.

- (f) Discussion with the internal auditor on any significant findings and follow up thereon.
- (g) Review of related party transactions and transfer pricing.
- (h) Approval or any subsequent modification of transactions of the Company with related parties.
- (i) Scrutiny of inter-corporate Loans and investments.
- (j) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary, and
- (k) Generally all items listed in Part-C of Schedule-II of the Listing Regulations and Section 177 of the Act.

The Committee may in addition to above given functions, carry out any other functions as referred by the Board, from time to time, or referred by any statutory notification/ amendment or modification, as may be, applicable.

The Audit Committee is also provided with the following information on the Related Party Transactions (whenever applicable):

- (i) A statement of transactions with related parties in summary form in the ordinary course of business.
- (ii) Details of material individual transactions with related parties, other than with its wholly owned subsidiaries whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval, which are not in the ordinary course of business.

Composition

The composition of the Audit Committee is in accordance with the requirement of Regulation 18 of the Listing Regulations and Section 177 of the Act. All members of the Audit Committee have the ability to read and understand financial statements.

As on 31st March, 2023, the Committee comprised of Three Independent Directors and One Executive Director and the members of the Audit Committee elect one Independent Director among themselves as the Chairperson of the Committee in each meeting. The composition as on 31st March, 2023 consists of Dr. Kali Kumar Chaudhuri (Independent Director), Mr. Ramesh Kumar Maheshwari (Independent Director), Mrs. Nidhi Baheti (Independent Woman Director) and Mr. Varun Agrawal (Executive Director). The Company Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee meetings are also attended by Chief Financial Officer (CFO), representatives of Statutory Auditors, representatives of Internal Auditors and Senior Executives of the Company, if required.

Meetings and Attendance

Five Audit Committee Meetings were held during the Financial Year 2022-23. The dates on which the Audit Committee meetings were held are 12th May, 2022, 27th May, 2022, 10th August, 2022, 10th November, 2022 and 14th February, 2023. The details of the attendance of members are as under:

Name of the Members	No. of meetings during the financial year 2022-23	
	Held	Attended
Dr. Kali Kumar Chaudhuri	5	5
Mrs. Nidhi Baheti	5	5
Mr. Varun Agrawal	5	5
Mr. Ramesh Kumar Maheshwari	5	5

There is no permanent Chairperson of the Audit Committee; all the members of the Audit Committee were present at the last Annual General Meeting held on 27th September, 2022.

Nomination and Remuneration Committee

Pursuant to the requirement of provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has in place the Nomination and Remuneration Committee. The terms of reference of the Nomination and Remuneration Committee, *inter-alia*, includes the following:

- To lay down criteria to identify persons who are qualified to become Directors and may be appointed in senior management and to recommend to the Board their appointment and /or removal.
- To evaluate the balance of skills, knowledge and expertise required on the board of the Company and on the basis of such evaluation, prepare a description of the roles and capabilities required of an independent director in the Company, and to recommend an independent director on the basis of the same.
- To evaluate performance of every Director.
- To formulate criteria for determining qualifications, positive attributes and independence of Directors.
- To recommend remuneration policy of Directors, Key Managerial Personnel and other employees.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management as defined under the Listing Regulations.
- To formulate the criteria for evaluation of Independent Directors and the Board and to recommend/ review remuneration payable to Whole-time Directors/Managing Director/ relatives of Directors based on their performance and defined assessment criteria.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- recommend to the board, all remuneration, in whatever form, payable to senior management.]
- To devise a policy on Board diversity.
- To carry out any other functions as is referred by the Board of Directors, from time to time, or referred by any statutory notification/amendment or modification, as may be applicable, and
- Generally all items listed in Part-D of Schedule-II of the Listing Regulations and Section 178 of the Act.

Composition

As on 31st March, 2023 the Committee comprised of Two Independent Directors and One Non-Executive Director. The members of the Committee elect one Independent Director among themselves as the Chairperson of the Committee in each meeting. Dr. Kali Kumar Chaudhuri (Independent Director), Mr. Ramesh Kumar Maheshwari (Independent Director), and Mr. Suresh Kumar Agrawal (Non-Executive Director) are members of the Committee. The Company Secretary of the Company acts as Secretary to the Committee.

The composition of the Committee is in line with the requirement given in Section 178 of the Act and Regulation 19 of the Listing Regulations.

Meeting and Attendance

2 (Two) Nomination and Remuneration Committee meetings were held during the financial year 2022-23 on 27th May, 2022 and 10th August, 2022. The details of attendance of members are as under:

Name of the Members	No. of meetings during the financial year 2022-23	
	Held	Attended
Dr. Kali Kumar Chaudhuri	2	2
Mr. Suresh Kumar Agrawal	2	1
Mr. Ramesh Kumar Maheshwari	2	2

All the members of the Nomination and Remuneration Committee attended the last Annual General Meeting held on 27th September, 2022.

The Committee has fixed the criteria viz. knowledge and competency, functions, ability to perform as a team, commitment, contribution, integrity etc. for appointment and evaluation of performance of independent directors. All the directors take part in the

evaluation process yearly and the same is placed before and considered by the Committee.

Remuneration of Directors

The Managing Director is paid remuneration as per the agreement with the Company. The agreement is approved by the Board and the terms are also approved by the shareholders of the Company. The remuneration structure of the Managing Director comprises of salary and other benefits which are within the overall limits prescribed under the Act. The Managing Director is not paid sitting fee for attending Meetings of the Board or Committees thereof.

The Non-Executive Directors are entitled to sitting fees for attending meetings of the Board and Committees thereof which are within the limit prescribed under the Act. The sitting fees paid to the Non-Executive Directors for attending the meetings of the Board and Audit Committee is ₹10,000/- per meeting and for attending other Committee meetings is ₹5,000/- per meeting for the Financial Year 2022-23. The remuneration paid to the Managing Director is within the overall limits approved by the Shareholders of the Company.

The Directors are not entitled to any other benefits, bonuses, pension, etc. and are also not entitled to performance linked incentives. The Company does not have any Employee Stock Option Scheme.

There is no Executive Director in the Company apart from Mr. Varun Agrawal, Managing Director of the Company. The details of terms of appointment including notice period, etc. was provided in the notice sent to the shareholders relating to his appointment.

The Managing Director is entitled to a minimum remuneration even in case of no profit or inadequate profit as per the terms of his appointment. The details in

accordance with the requirement of Section II of Part II of Schedule V of the Companies Act, 2013 are provided herein after:

General Information:

Nature of Industry	Manufacturing
Date or expected date of Commercial Production	Not Applicable since the Company has already commenced its business activities
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

Financial performance:

Particulars	For the year ended (₹ in Lacs)		
	March 31, 2023	March 31, 2022	March 31, 2021
Total Revenue	64870.88	51,274.85	39398.38
Total Expenses	62441.52	46,572.47	36023.49
Net Profit (after tax)	1264.84	2955.98	1968.50
Paid up Capital	655.34	655.34	655.34
Other Equity/ Reserves & Surplus	27531.94	25090.53	21210.36

Foreign Investments or collaborations, if any – There is no direct foreign investment or collaborations in the Company except to the extent shares held by Foreign Institutional Investors (FII) and NRI (Repatriation & Non-Repatriation) acquired through secondary market.

II. Information about the Appointees :

Name	Mr. Varun Agrawal
Background details	Mr. Varun Agrawal is a commerce graduate and having more than fifteen years of experience in operations and marketing of valued added steel and aluminium products, project development and implementation.
Past Remuneration	₹240.00 Lacs per annum
Recognition and Awards	-
Job profile and his suitability	Mr. Varun Agrawal, in the capacity of the Managing Director looking after the purchase, sale, export and other business operations of the Company. He is also looking after the new project implementation. Under his leadership, the Company has been performing consistently.
Current remuneration	₹240.00 Lacs per annum
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration being paid by the Company is commensurate with the remuneration being paid to its Managing Director by the companies of comparable size.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any	Mr. Varun Agrawal holds 12,761,241 equity shares in the Company. Apart from receiving remuneration as stated above, Mr. Varun Agrawal does not have any other pecuniary relationship with the Company. Mr. Varun Agrawal, Managing Director and Mr. Suresh Kumar Agrawal, Non Executive Director are relatives within the meaning of Companies Act, 2013.

III. Other information:**1) Reasons of inadequate profits:**

Financial Year 2022-23 was challenging compared to last financial year. The Price realization was the biggest challenge and thus your management has worked upon the volume growth. The Company was able to report 27% growth in revenue from operations at standalone level and 22% growth at consolidated level compared to last financial year. In spite of significant revenue growth, EBITDA Margin decreased by 50% primarily due to increase in cost of raw materials and poor price realization across the sector.

2) Steps taken or proposed to be taken for improvement:

Possible efforts are being taken for improving price realization and simultaneously growth in the volume. The management is introducing a new product called Alu-Zinc, an alloy of 55% Aluminium and 45% Zinc on cold rolled strip. The proposed introduction Alu-Zinc will increase the overall production capacity, revenue and profit realization.

3) Expected increase in productivity and profits in measurable terms:

It is difficult to forecast the expected increase in productivity and profits in measurable terms due to global volatility in steel price. The profitability depends upon various national and international factors including short term and long term measures taken by Government. Steps are being taken for improvement in productivity and profitability of the Company and is expected to improve the performance and the profitability in coming years.

The proposed introduction of Alu-Zinc will increase the overall production capacity, revenue and profit realization. The product is expected to be launched in domestic market during the 1st quarter of FY 2024-25.

IV. Disclosures:

- i) Details of Remuneration paid or payable to Directors for the Financial Year ended 31st March, 2023:

₹ in Lacs

Name of the Directors	Service contract/ Notice period	Salary	Sitting Fees
Mr. Varun Agrawal	Appointed as Managing Director liable to retire by rotation, for a further period of three years with effect from 11th February, 2022 with the approval of the Shareholders through Postal Ballot process.	240.00	-
Mr. Vineet Agrawal	Appointed as Chief Executive Officer of the Company w.e.f. 15th February, 2019	228.00	-
Mr. Mrinal Kanti Pal	Appointed as Non-Executive Director with effect from 23rd November, 2014	NA	0.45
Mr. Suresh Kumar Agrawal	Appointed as Non-Executive Director with effect from 11th February, 2016	NA	0.53
Mr. Ajay Kumar Chakraborty	Re-appointed as Independent Director for a period of Five years with effect from 26th September, 2019	NA	0.23
Dr. Kali Kumar Chaudhuri	Re-appointed as Independent Director for a period of Five years with effect from 26th September, 2019	NA	1.25
Mrs. Nidhi Baheti	Appointed as Independent Director for a period of Five years with effect from 16th June, 2021	NA	1.08
Mr. Ramesh Kumar Maheshwari	Appointed as Independent Director for a period of Five years with effect from 16th July, 2019	NA	1.23

ii) No Commission, Perquisites, Pensions, Other Allowances and performance linked incentive were paid to any Director during the year under review.

iii) The sitting fees include fees paid for committee meetings. The Company does not pay any severance fees. Apart from the above-mentioned remuneration, the Company had no pecuniary relationship or transactions with the Non-Executive Directors during the year under review.

iv) None of the Directors hold any stock option in the Company.

The Non-Executive Directors are only receiving sitting fees for attending the Meeting of the Board and the Committees of the Board. The criteria for making payment to Non-Executive Directors is as per the Remuneration Policy of the Company which forms the

part of the Directors' Report. The Remuneration Policy of the Company can be viewed here:

<https://www.manaksiasteels.com/RemunerationPolicy.pdf>

Stakeholders Relationship Committee

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, the Company has in place the Stakeholders Relationship Committee.

The terms of reference of the Committee *inter-alia* includes the following:

1. Redressal of shareholder and investor complaints like transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends, interests, etc;

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent of the Company.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Reference to statutory and regulatory authorities regarding investor grievances;
6. To ensure proper and timely attendance and redressal of investor queries and grievances;
7. Oversee the performance of Registrar and Share Transfer Agent of the Company;
8. To approve the request for transfer, transmission, etc. of shares;
9. To approve the dematerialization of shares and rematerialisation of shares, splitting and consolidation of Equity Shares and other securities issued by the Company;
10. Review of cases for refusal of transfer/ transmission of shares and/or any other securities as may be issued by the Company from time to time, if any;
11. To review from time to time, overall working of the Secretarial Department of the Company relating to the shares of our Company and functioning of the Registrar and Share Transfer Agent of the Company and other related matters.
12. To consider and approve issue of duplicate / split / consolidated share certificates;
13. To issue duplicate certificates and new certificates on split / consolidation / renewal etc.
14. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended by the Committee.

Composition

As on 31st March, 2023 the Committee comprised of One Independent Director, One Executive Director and One Non-Executive Director. Mr. Ramesh Kumar Maheshwari (Independent Director), Mr. Varun Agrawal (Executive-Director) and Mr. Suresh Kumar Agrawal (Non-Executive Director) are members of the Committee. The members elect one of the non-executive director among themselves as the Chairperson of the Committee in each meeting. Mr. Ajay Sharma, Company Secretary of the Company acts as the Secretary and Compliance Officer to the Committee.

Meeting and Attendance

1 (One) Stakeholders Relationship Committee meeting was held during the financial year 2022-23 on 27th May, 2022. The details of attendance of members are as under:

Name of the Members	No. of meetings during the financial year 2022-23	
	Held	Attended
Mr. Suresh Kumar Agrawal	1	-
Mr. Varun Agrawal	1	1
Mr. Ramesh Kumar Maheshwari	1	1

Investors' Complaints

Details of Investors Complaints received and redressed during the Financial Year 2022-23:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

It is the endeavour of the Company to attend investors' complaints and other correspondence within 15 days of receipt except where constrained by disputes or legal impediments. In terms of SEBI circular, the Company has obtained necessary SCORES (SEBI Complaints Redressal System) authentication. This has facilitated the investors to view online status of the action taken against the complaints made by logging on to SEBI's website: www.sebi.gov.in.

Mr. Ajay Sharma, Company Secretary of the Company has been designated as Compliance Officer for speedy redressal of the Investor complaints. As on date of the Report, the Company affirms that no shareholder's complaint is pending under SCORES.

Corporate Social Responsibility Committee

The Company has in place the Corporate Social Responsibility Committee and as on 31st March, 2023; the Committee comprised of One Independent Director, One Executive Director and One Non-Executive Director. The terms of reference of the committee are in compliance with the requirements of the Act and rules made thereunder. Mr. Suresh Kumar Agrawal (Non-Executive Director), Mr. Varun Agrawal (Managing Director) and Dr. Kali Kumar Chaudhuri (Independent Director) are members of the Committee. The Company Secretary of the Company acts as Secretary to the Committee.

Meeting and Attendance

Three meetings of Corporate Social Responsibility Committee were held during the financial year 2022-23 on 27th May, 2022, 10th August, 2022 and 14th February, 2023. The details of attendance of members are as under:

Name of the Members	No. of meetings during the financial year 2022-23	
	Held	Attended
Mr. Suresh Kumar Agrawal	3	2
Dr. Kali Kumar Chaudhuri	3	3
Mr. Varun Agrawal	3	3

Committee of Directors

The Board of Directors of the Company has constituted a Committee of Directors comprising of Mr. Suresh

Kumar Agrawal (Non-Executive Director), Mr. Varun Agrawal (Managing Director) and Mr. Mrinal Kanti Pal (Non-Executive Director). The Board has delegated certain powers to the Committee of Directors as permitted, pursuant to Section 179(3) of the Act and/ or not restricted by the Secretarial Standards -1.

Meeting and Attendance

During the Financial Year ended 31st March, 2023 no meeting of Committee of Directors was held.

GENERAL BODY MEETINGS

(A) Annual General Meetings :

The location and time of last three AGMs held is as under:

No.	Financial Year / Time	Date	Venue	No. of Special Resolution passed
21st AGM	2021-22 03.00 P.M.	27.09.2022	Turner Morrison Building, 6, Lyons Range, 1st Floor, Kolkata – 700 001 The 21st AGM of the Company was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	-
20th AGM	2020-21 03.00 P.M.	21.09.2021	Turner Morrison Building, 6, Lyons Range, 1st Floor, Kolkata – 700 001 The 20th AGM of the Company was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	-
19th AGM	2019-20 03.00 P.M.	29.09.2020	Turner Morrison Building, 6, Lyons Range, 1st Floor, Kolkata – 700 001 The 19th AGM of the Company was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	-

(B) Extra-Ordinary General Meeting

During the financial year 2022-23 no Extra-Ordinary General Meeting of the Company was held.

(C) Special resolution through Postal Ballot

Special Resolution relating to re-appointment and approval of the terms of re-appointment of Mr. Varun Agrawal (DIN: 00441271) as Managing Director of the Company was passed through the postal ballot on 11th May, 2022. None of the business proposed to be transacted in the ensuing Annual General Meeting requires passing of Special Resolution through postal ballot.

Secretarial Audit Report

The Company has undertaken Secretarial Audit for the financial year 2022-23 which, *inter-alia*, includes audit of compliance with the Act and the Rules made thereunder, the Listing Regulations and Guidelines prescribed by the Securities and Exchange Board of India, Foreign Exchange Management Act, 1999 and other applicable laws, if any. Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. MKB & Associates, Practising Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2022-23.

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 has specified that the listed entities shall additionally, on an annual basis, require a check by a Company Secretary in Practice on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder and accordingly your Company has appointed M/s. Bajaj Todi & Associates, Practising Company Secretaries to carry out necessary audit for the FY 2022-23. A certificate received from M/s. Bajaj Todi & Associates, Practising Company Secretaries was placed before the Board and was filed with the Stock Exchanges where the securities of the Company are listed.

MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the quarterly, half-yearly and yearly financial results in the format prescribed under Regulation 33 of the Listing Regulations.

The Company sends such approved financial results to BSE Limited and National Stock Exchange of India Limited. These results are also been published in leading newspapers like Business Standard (English) and Ek Din (Bengali).

The financial results and the official news releases of the Company are displayed on the website of the Company at www.manaksiasteels.com.

As mandated by Ministry of Corporate Affairs (MCA), the Company will send Annual Report, Notices, etc. to the shareholders at their email address registered with their Depository Participants and/ or Company's Registrar and Share Transfer Agent (RTA). To continue its support to the GREEN INITIATIVES measures of MCA, the Company has requested shareholders to register and/ or update their email address with the Company's RTA, in case of shares held in physical mode and with their respective Depository Participants, in case of shares held in dematerialized mode.

The Company has not made any presentation to the institutional investors/ analysts during the financial year 2022-23.

In compliance with the requirement of the Listing Regulations, the official website of the Company contains information about its business, shareholding pattern, compliance with corporate governance, contact information of the compliance officer, etc. and the same are updated regularly.

SUBSIDIARY COMPANIES

All subsidiaries of the Company are managed by their respective Board of Directors in the best interest of those companies and their shareholders.

Pursuant to the Listing Regulations, the minutes of the Board meetings of the subsidiary companies and statement containing all significant transactions and arrangements entered into by subsidiary companies, as and when required, are placed before the Board. The financial statements of the subsidiary companies are reviewed by the Audit Committee of the Company. The disclosure as required under Section 129(3) of the Act in Form AOC-1, forms part of this Annual Report.

Policy on Material Subsidiary

The Company has formulated a policy for determining "material" subsidiaries and the same is available on the website of the Company- www.manaksiasteels.com and the weblink thereto is <https://www.manaksiasteels.com/PolicyForDeterminingMaterialSubsidiaries.pdf>

DISCLOSURES

Related Party Transactions

The transactions entered into with Related Parties during the financial year 2022-23 were on arm's length basis and in the ordinary course of business pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Pursuant to the requirement of the Act and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available at Company's website www.manaksiasteels.com and the weblink thereto is <https://www.manaksiasteels.com/Policy-on-Related-Party-Transactions.pdf>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

The details of the related party transactions have been disclosed by way of Note No. 36 of Financial Statements 2022-23.

Details of Non Compliance by the Company

There was no non-compliances by the Company and no instances of penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority during the last three years.

Material significant related party transactions which may have potential conflict with the interests of the Company at large:

The Company does not have any material significant related party transactions which may have potential conflict with the interests of the Company at large.

Details of utilization of funds raised through preferential allotment or through qualified institution placement

The Company has not raised any amount through preferential allotment or through qualified institution placement during the financial year under review.

Certificate from Practising Company Secretary

The Company has received a certificate from M/s Bajaj Todi & Associates (CP No. 7270), Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is enclosed and forming part of this Annual Report.

Recommendation from the Committees to the Board

There was no such instance where the Board had not accepted the recommendations of/ submissions by the Committees which were required for the approval of the Board of Directors during the Financial Year under review.

Details of total fees paid to the Statutory Auditor

The Company has paid ₹8,00,000/- (Rupees Eight Lacs Only) to the Statutory Auditors as the statutory audit fees for the Financial year 2022-23.

The Company or any of its subsidiaries has not received any other services from any entity in the network firm/ network entity of which the Statutory Auditor is a part.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Details of Complaints received and redressed during the Financial Year 2022-23:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

Compliance with Mandatory Requirements

The Company has complied with all applicable mandatory requirements of the Listing Regulations. The Company has complied with all the applicable requirements of corporate governance as specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the Listing Regulations. The Company has complied with all the requirement of Corporate Governance Report as stated under sub-Para (2) to (10) of section (C) of Schedule V to the Listing Regulations.

Accounting Treatment

Your Company has followed all the relevant Indian Accounting Standards (IND AS) while preparing the Financial Statements.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report is forming part of this Annual Report.

Disclosure regarding Appointment/Re-appointment of the Directors

As required under Regulation 36(3) of the Listing Regulations, particulars of Directors seeking appointment/ re-appointment at the forthcoming 22nd AGM will be given in the Notice of the ensuing 22nd AGM of the Company.

Resignation of Directors

During the financial year 2022-23, none of the Directors have resigned from the Directorship of the Company.

Foreign Exchange Risk

The Company does not speculate in foreign exchange. The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company's risk management policy approved by the Board.

Proceeds from Public Issue

During the financial year 2022-23, the Company has not made any public issue.

Chief Executive Officer/ Chief Financial Officer Certification

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company have given a certificate to the Board of Directors of the Company under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2023. The said certificate forms a part of this Annual Report. Pursuant to Regulation 33 of the Listing Regulations, the CEO and CFO of the Company also provide the quarterly certification on Financial Results while placing the same before the Board of Directors of the Company.

Compliance Certificate of the Auditors

Certificate from the Company's Auditor M/s. Agrawal Tondon & Co., Chartered Accountants, confirming compliance with conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Annual Report.

Code for Prevention of Insider Trading Practices

The Company has instituted mechanism to avoid Insider Trading and abusive self-dealing. In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") as amended, the Company has established systems and procedures to restrict insider trading activity and has framed a Code of Conduct to regulate, monitor and report trading by insiders. All the Directors, Designated Persons, Officers and other Connected Persons of the Company are governed by the Code and accordingly, the Directors, Designated Persons, Officers and connected persons cannot use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

The objective of this Code is to prevent misuse of any unpublished price sensitive information and prohibit any insider trading activity, in order to protect the interest of the stakeholders at large. The Company has adopted Prohibition of Insider Trading code and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in line with the PIT Regulations, as amended.

The particulars regarding dealing in Company's shares by Directors, Designated Persons, Officers and Connected Persons are placed before the Board at its next meeting. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company www.manaksiasteels.com and the weblink thereto is https://www.manaksiasteels.com/pdf/CodeofConducttoRegulateReportandMonitortradingbyinsiders_MSL.pdf

AFFIRMATION AND DISCLOSURE

There were no material financial or commercial transaction, between the Company and members of the Management that may have a potential conflict with the interests of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board of Directors of the Company and the interested Directors neither participate in the discussion nor vote on such matters.

GENERAL SHAREHOLDER INFORMATION

- a) **Annual General Meeting: Date** As mentioned in the notice convening
- Time** the 22nd Annual General Meeting for the
- Venue** Financial Year 2022-23
- b) **Financial Calendar:** 1st April, 2023 – 31st March, 2024. The Financial results will be declared as per the following schedule:

Particulars	Schedule
Quarter ended 30th June, 2023	On or before 14th August, 2023 (Tentative)
Quarter ended 30th September, 2023	On or before 14th November, 2023 (Tentative)
Quarter ended 31st December, 2023	On or before 14th February, 2024 (Tentative)
Annual Results of 2023-24	On or before 30th May, 2024 (Tentative)

- c) **Dates of Book Closure:**
As mentioned in the notice convening the 22nd Annual General Meeting of the Company for the Financial Year 2022-23.
- d) **Dividend Payment:**
The Board of Directors of the Company has not recommended any dividend for the financial year 2022-23.
- e) **Remittance of Dividend through Electronic Mode:**
Shareholders are required to provide their bank details, including IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), to their respective Depository Participants (DPs), where shares are held in the dematerialised form and to the RTA where the shares are held in the certificate form, respectively for remittance of dividend through electronic mode.
- f) **Address and Bank Details**
Shareholders holding shares in the physical share certificate form are requested to promptly advise Registrar and Transfer Agent (herein after referred to as "the RTA") of the Company regarding any change in their address/ mandate/ bank details etc. to facilitate better servicing.
- g) **Service of Documents**
The Company sends Notices, Report and Accounts and other communications in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Shareholders. Shareholders who wish to register or update their e-mail addresses may send their request to the RTA or the Company.
- h) **Permanent Account Number (PAN)**
Shareholders holding shares in the physical share certificate form are requested to send copies of their PAN Cards to the RTA to facilitate better servicing. Furnishing of PAN Card, however, is mandatory as follows:
- i) Transferees' and Transferors' PAN Cards for transfer of shares,
- ii) Legal heirs' / Nominees' PAN Cards for transmission of shares,
- iii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
- iv) Joint holders' PAN Cards for transposition of shares.
- i) **Nomination Facility**
Shareholders who hold shares in the physical share certificate form and wish to make any nomination/ change nomination made earlier in respect of their shareholding in the Company, should submit to the RTA the prescribed Form.
- j) **Listing on Stock Exchanges:**
The shares of the Company are listed on the following Stock Exchanges:
- (i) National Stock Exchange of India Limited (NSE)
Exchange Plaza, C-1, Block "G"
Bandra Kurla Complex,
Bandra East, Mumbai- 400051
SYMBOL: MANAKSTEEL
- (ii) BSE Limited (BSE)
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001
Scrip Code: 539044
- The annual listing fees have been paid to both the Stock Exchanges for the financial year 2023-2024.
- k) **Custodial Fees to Depositories:**
Annual Custody/ Issuer fee for the financial year 2023-24 has been paid to CDSL and NSDL.
- l) **Unclaimed shares lying in the Demat Suspense Account:**
The Company has opened a separate demat account in the name of "Manaksia Steels Limited-Suspense Account" in order to credit the unclaimed shares of

the IPO of Manaksia Limited which could not be allotted to the rightful shareholders due to insufficient/ incorrect information or for any other reason. The voting rights in respect of said shares will be frozen till the time the rightful owner claims such shares. In terms of requirement of Listing Regulations, the details of shares lying in the aforesaid demat account are as follows:

Particulars	No. of Shares	No. of shareholders
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April, 2022.	3149	36
Number of shareholders who approached Company for transfer of shares from suspense account during the year.	0	0
Number of shareholders to whom shares were transferred from suspense account during the year.	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March, 2023.	3149	36

Any corporate benefits in terms of the securities accruing on such shares viz. bonus shares, split, etc., shall also be credited to aforesaid suspense account. Shareholders who have yet not claimed their shares are requested to immediately approach the Company/ Registrar and Share Transfer Agent of the Company along with documentary evidence, if any.

m) Stock Code / Symbol : ISIN No.: INE824Q01011

National Stock Exchange of India Limited: MANAKSTEEL

BSE Limited: 539044

n) Share Transfer System:

99.99% of shares of the Company are held in electronic mode. Intimation about transfer/transmission of these shares to RTA is done through the depositories i.e. NSDL & CDSL with no involvement of the Company.

Effective from 1st April, 2019, transfer of shares of a listed company can only be affected in dematerialised form in terms of Listing Regulations. Shareholders holding shares in the physical share certificate form are therefore requested to dematerialise their shares in their own interest. Communication in this respect

had been sent by the Company to the concerned Shareholders. However, transfer deeds which were lodged with the Company on or before 31st March, 2019, if any, but were returned due to any deficiency, will be processed upon re-lodgement.

The yearly Compliance Certificate pursuant to Regulation 40(9) of the Listing Regulations for the year ended 31st March, 2023 received from M/s. Drolia & Co., Practicing Company Secretary (CP No. 1362) has been submitted to the Stock Exchanges within the stipulated time.

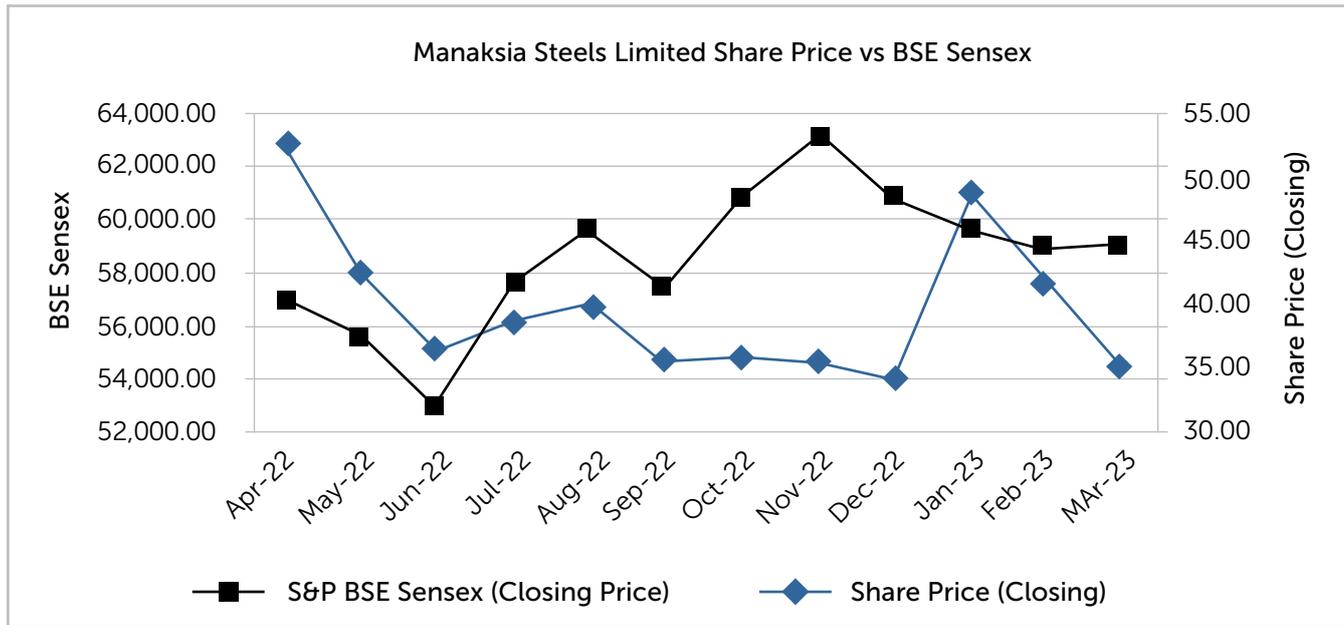
Pursuant to provisions of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 the Company has submitted Reconciliation of Share Capital Audit Report received from Sanjay Kumar Vyas, Company Secretary in Practice (CP No. 21598) on quarterly basis to the Stock Exchanges within the stipulated time.

o) Market Price Data

The details of monthly high and low quotations of the equity shares of the Company traded at BSE Limited and National Stock Exchange of India Limited during the financial year 2022-23 are given hereunder:

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High (₹)	Low (₹)	Total Number of Shares Traded	High (₹)	Low (₹)	Total Number of Shares Traded
April, 2022	63.80	43.10	15,34,241	64.00	42.60	1,48,80,466
May, 2022	57.35	36.60	5,67,280	57.50	36.40	59,25,914
June, 2022	44.80	31.00	1,65,400	43.45	29.65	10,69,144
July, 2022	49.00	35.50	1,85,900	43.10	34.35	14,01,132
August, 2022	45.55	38.00	3,16,781	45.80	38.00	25,67,064
September, 2022	42.05	35.00	2,99,702	42.00	35.00	15,20,436
October, 2022	39.50	35.50	1,52,514	41.00	35.40	11,48,694
November, 2022	39.45	35.25	1,11,859	39.80	35.05	7,35,955
December, 2022	37.60	30.65	2,18,975	37.75	31.80	8,82,544
January, 2023	51.45	29.00	13,80,625	51.50	34.25	1,21,73,122
February, 2023	53.35	39.80	6,57,306	53.40	40.65	79,14,302
March, 2023	43.15	34.11	1,59,058	43.10	34.30	19,95,385

Performance in Comparison with BSE Sensex:



p) Registrar and Share Transfer Agent (RTA):

Link Intime India Private Limited is acting as the Registrar and Share Transfer Agent (hereinafter referred to as "the RTA") of the Company. The address of the RTA is given hereunder:

Link Intime India Private Limited

Vaishno Chamber, 6 Brabourne Road

Room No. 502 & 503, 5th Floor, Kolkata- 700001

Ph: +91-22-4918 6000, Fax: +91-22-4918 6060

Contact Person: Mr. Kuntal Mustafi, Email id: kolkata@linkintime.co.in

q) Distribution of Equity Shareholding as on March 31, 2023:

No. of Equity shares held From – To	Shareholders		Shares	
	Number	% Total Holders	Number	% Total Capital
1 – 500	24,918	90.07	24,08,134	3.67
501 – 1000	1,239	4.48	10,00,944	1.53
1001 – 2000	692	2.50	10,43,656	1.59
2001 – 3000	294	1.06	7,56,849	1.16
3001 – 4000	119	0.43	4,22,324	0.64
4001 – 5000	94	0.34	4,45,865	0.68
5001 – 10000	140	0.51	10,09,206	1.54
10001 – And above	170	0.61	5,84,47,072	89.19
TOTAL	27,666	100.00	6,55,34,050	100.00

r) Categories of Equity Shareholders as on March 31, 2023

Sl. No.	Category	No. of Shares	% of Shareholdings
1.	Promoters Group	4,89,85,319	74.75
2.	Relatives of Promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	9,385	0.01
3.	Financial Institutions / Banks	501	0.00
4.	Key Managerial Personnel	22	0.00
5.	Bodies Corporate	39,42,538	6.01
6.	Public	1,11,05,308	16.95
7.	NRI's / OCB's / Foreign National	2,58,887	0.39
8.	Clearing Members	5119	0.01
9.	Hindu Undivided Family (HUF)	6,56,273	1.00
10.	Foreign Portfolio Investors (Corporate)	80,728	0.12
11.	Limited Liability Partnership	4,89,970	0.75
	TOTAL	6,55,34,050	100

s) Dematerialization of Equity Shares

The equity shares of the Company are currently traded only in dematerialized form and the Company has entered into agreements with the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE824Q01011. As on 31st March 2023, 6,55,33,359 equity shares representing about 99.99% of the share capital are held in dematerialized form.

t) Outstanding GDRs / ADRs / Warrants / Other Convertible instruments:

The Company does not have any outstanding GDRs / ADRs / Warrants / Other Convertible instruments as on 31st March, 2023.

u) Commodity Price Risk and Hedging Activities:

The Company considers exposure to commodity price fluctuations to be an integral part of its business and its usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements.

v) Plants Locations (Manufacturing Units as on 31st March, 2023)

471, Birsinghapur, Barjora Bankura – 722 202	1, Bhuniaraichak, Jhikurkhali, Haldia, Purva Mednipur, West Bengal
--	---

w) Address for Correspondence:

Manaksia Steels Limited
Turner Morrison Building,
6, Lyons Range, 1st Floor, Kolkata – 700 001

Phone No: +91-33-2231 0055

Email: investorrelmsl@manaksiasteels.com

Website: www.manaksiasteels.com

x) Credit Rating:

The Company obtained credit rating from CARE Ratings Limited. The credit rating w.r.t. Long Term Bank Facilities is CARE A-; Stable (Single A Minus; Outlook: Stable) and credit rating w.r.t. Short Term Bank Facilities is CARE A2+ (A Two Plus).

COMPLIANCE WITH GOVERNANCE FRAMEWORK

The Board of Directors of the Company periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliances, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. The Company has complied with the applicable requirements specified in Regulations 17 to 27 and Regulation 46(2) of the Listing Regulations.

COMPLIANCE OFFICER

In accordance with Regulation 6 of the Listing Regulations, the Company Secretary acts as the Compliance Officer of the Company. The details of the compliance officer are:

Mr. Ajay Sharma
Company Secretary & Compliance Officer
Manaksia Steels Limited,
Turner Morrison Building,
6, Lyons Range, 1st Floor,
Kolkata – 700 001,
Phone No: +91-33-2231 0055
Fax: +91-33 2230 0336

DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE LISTING REGULATIONS

The status of compliance with discretionary requirements of Regulation 27 of the Listing Regulations is provided below:

- Shareholders' Rights: As the quarterly and half-yearly financial performance along with significant events are published in the newspapers and are also posted on the website of the Company, the same are not being sent to the shareholders.

- Modified Opinion in Auditors Report: The financial statement of the Company for the financial year 2022-23 does not contain any modified audit opinion.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

For and on behalf of the Board of Directors

Place: Kolkata
Date : 25th May, 2023

Varun Agrawal
Managing Director
DIN: 00441271

Mrinal Kanti Pal
Director
DIN: 00867865

CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION

The Board of Directors
Manaksia Steels Limited

Dear Madam/ Sirs,

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Manaksia Steels Limited ("Company"), in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereby certify that:

- (a) We have reviewed the Financial Statements, including the Cash Flow Statement, of the Company for the Financial Year ended 31st March, 2023 and to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated, wherever applicable, to the Auditors and the Audit committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: 25h May, 2023

Vineet Agrawal
(Chief Executive Officer)

Rajesh Singhania
(Chief Financial Officer)

CERTIFICATION OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

[Regulation 34 read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to confirm that the Company has received declarations affirming compliance of the Code of Conduct from the Board of the Directors and Senior Management for the Financial Year ended 31st March, 2023.

Place: Kolkata
Date: 25th May, 2023

Varun Agrawal
Managing Director
DIN: 00441271

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Manaksia Steels Limited

1. We, AGRAWAL TONDON & CO Chartered Accountants, the statutory auditors of **Manaksia Steels Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2023, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the

Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46 (2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2023.

Other Matter

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **AGRAWAL TONDON & CO.**
Chartered Accountants
Firm Registration No. – 329088E

Kaushal Kejriwal
Partner
Membership No 308606
UDIN: 23308606BGUBMG5212

Place: Kolkata
Date: 25 May, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant To Regulation 34(3) and Schedule V Para C Clause (10)(I) of The SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015)

To,
The Members of **Manaksia Steels Limited**
Turner Morrison Building, 6 Lyons Range,
1st Floor, Kolkata – 700 001, West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Manaksia Steels Limited** having CIN: **L27101WB2001PLC138341** and having registered office at **Turner Morrison Building, 6 Lyons Range, 1st Floor, Kolkata – 700 001, West Bengal** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the Financial Year ending on **31st March, 2023**, have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Ajay Kumar Chakraborty	00133604	09/01/2013
2	Mr. Kali Kumar Chaudhuri	00206157	17/01/2014
3	Mr. Varun Agrawal	00441271	17/01/2014
4	Mr. Suresh Kumar Agrawal	00520769	23/11/2014
5	Mr. Ramesh Kumar Maheshwari	00545364	16/07/2019
6	Mr. Mrinal Kanti Pal	00867865	27/12/2012
7	Mrs. Nidhi Baheti	08490552	16/06/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Bajaj Todi & Associates

(Priti Todi)

Partner

C.P.No.: 7270, ACS:14611

UDIN: A014611E000083823

Place: Kolkata

Date: 13-04-2023

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
MANAKSIA STEELS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANAKSIA STEELS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and listing of Non-convertible securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, other laws/acts which are specifically applicable to the Company are as follows:

- a) The Indian Boilers Act, 1923 and rules/regulations made thereunder;
- b) Inflammable Substances Act, 1952;
- c) The Indian Explosives Act, 1884 and the Static and Mobile Pressure Vessels (Unfired) Rules, 2016;
- d) Hazardous Waste (Management, Handling and Transboundary Movements) Rules, 2008.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

We further report that during the period under audit, the Company has passed the special resolution for re-appointment of Varun Agrawal (DIN: 00441271), as a Managing Director of the Company for a period of 3 (Three) years with effect from 11 February, 2022. The company has also passed ordinary resolution approving material related party transaction with Sumo Steels Limited and Manaksia Limited.

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

Date: 25.05.2023
Place: Kolkata

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428
UDIN: A017190E000373361

Annexure- I

To
The Members,
MANAKSIA STEELS LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428
UDIN: A017190E000373361

Date: 25.05.2023
Place: Kolkata

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A CONSERVATION OF ENERGY

Information on conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

i) Steps taken or impact on conservation of energy

The thrust for energy conservation continued during the year across all manufacturing processes through combined use of systems and devices. The various measures taken during the year include:

- (a) Converting Oil burners to gas burners, SKO fuel has been replaced by LPG which has allowed us to enhance our energy utilization and optimize our energy consumption
- (b) Conducting training programmes at various factories for conservation of energy.

ii) Steps taken for utilizing alternate sources of energy

The Company is constantly taking steps to identify various alternative sources of energy. This year Company has installed and successfully commissioned Solar Power plant capacity of 900.52Kw. We are getting average 4000 units of electricity energy per day from this Solar power plant. In pursuit of its goal towards savings in energy cost, the Company while procuring new machinery under phased modernization/ replacement program takes into account its impact on energy conservation.

iii) Capital investment on energy conservation equipments: ₹3.75 Crore

B TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption:

- (a) Modification of manufacturing process
- (b) Improvement in Automation
- (c) Development of new products
- (d) Installing upgraded pollution control equipment for air/water
- (e) Improvement in safety and reliability of the Plant

ii) Benefits derived as a result of such efforts

- (a) Improved market share
- (b) Improvement in productivity
- (c) Improvement of product quality
- (d) Less air pollution
- (e) Energy conservation
- (f) Increase in in-house capability

iii) Technology imported by the Company – Nil

iv) The expenditure on Research & Development: - Nil

C FOREIGN EXCHANGE EARNINGS & OUTGO

During the year under review foreign exchange earnings were ₹13050.80 Lacs (Previous Year ₹1783.89 Lacs) and foreign exchange outgo was ₹12789.20 Lacs (Previous Year ₹9795.63 Lacs)

For and on behalf of the Board of Directors

Place: Kolkata
Date : 25th May, 2023

Varun Agrawal
Managing Director
DIN: 00441271

Mrinal Kanti Pal
Director
DIN: 00867865

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Companies Act, 2013 and Rules made thereunder]

1. A brief outline of the Company's CSR policy:

In line with the provisions of the Companies Act, 2013, the Company has framed its CSR policy towards enhancing welfare measures of the society and the same has been approved by the CSR Committee of the Board. The Company also gives preference to the local area and areas around which it operates for spending the amount earmarked for CSR activities. The Company has proposed to undertake activities as mentioned under Schedule VII of Companies Act, 2013, *inter-alia*, activities relating to rural development including livestock development, promotion of education, protecting fauna and health care.

2. The composition of the CSR Committee of the Board as on 31st March, 2023 is as under:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Suresh Kumar Agrawal	Non-Executive Director	3	2
2.	Dr. Kali Kumar Chaudhuri	Independent Director	3	3
3.	Mr. Varun Agrawal	Managing Director	3	3

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

The Composition of CSR committee, CSR Policy and CSR Projects are disclosed on the website of the Company and can be accessed at the following links:

Composition of CSR Committee: https://www.manaksiasteels.com/pdf/Composition-of-Various-Committees_MSL-28022020.pdf

CSR Policy: <https://www.manaksiasteels.com/CorporateSocialResponsibility.pdf>

Web-link of CSR projects/ programmes: <https://www.manaksiasteels.com/pdf/CSR-Projects.pdf>

4. Executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable.

5. (a) Average net profit of the Company as per Section 135(5):

The average net profit of the Company as per Section 135(5) of the Companies Act, 2013 for the last three years is ₹2,458.74 Lacs.

(b) Two percent of average net profit of the company as per section 135(5) : ₹49.17 Lacs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year (b+c-d): ₹49.17 Lacs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹51.00 Lacs

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year: ₹51.00 Lacs (a+b+c)

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Lacs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
51.00	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

(f) Excess amount for set off, if any: ₹1.83 Lacs

Sl. No.	Particulars	Amount (In Lacs)
i.	Two percent of average net profit of the company as per section 135(5)	49.17
ii.	Total amount spent for the Financial Year	51.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	1.83
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.83

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lacs)	Balance Amount in Unspent CSR Account under section 135(6) (₹ in Lacs)	Amount spent in the reporting Financial Year (₹ in Lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (₹ in Lacs)	Deficiency (if any)
					(₹ in Lacs)	Date of transfer.		
1.	2019-20	Nil	Nil	Nil	-	-	Nil	-
2.	2020-21	Nil	Nil	Nil	-	-	Nil	-
3.	2021-22	Nil	Nil	Nil	-	-	Nil	-
	Total	Nil	Nil	Nil	-	-	Nil	-

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year?

No

If yes, enter the number of capital assets created/ acquired – Not Applicable

Furnish the details relating to such asset(s) so acquired/ created through CSR amount spent in the financial year. – Not Applicable

9. Specify the reason(s), if the company has failed to spent two per cent of the average net profit as per section 135(5) : Not Applicable

Place: Kolkata
Date: 25th May, 2023

Varun Agrawal
Managing Director
DIN: 00441271

Suresh Kumar Agrawal
Chairman of CSR Committee
DIN: 00520769

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. 1). Ratio of Remuneration of each Director / KMP to the median remuneration of all the employees of the Company for the financial year 2022-2023

Median Remuneration of all the employees of the Company: ₹2,17,320

Percentage increase in Median Remuneration of all the employees: 2.40

Number of permanent employees on the rolls of Company: 178

Name of the Directors and KMP	Remuneration (₹/ Lakhs)		% increase in remuneration in FY 2022-23	Ratio to median Remuneration of all employees
	FY 22-23	FY 21-22		
Executive Director				
Mr. Varun Agrawal	240.00	240.00	-	110.44:1
Non Executive Directors				
Mr. Suresh Kumar Agrawal	0.53	0.45	-	0.24:1
Mr. Mrinal Kanti Pal	0.45	0.31	-	0.21:1
Independent Directors				
Dr. Kali Kumar Chaudhuri	1.25	0.82	-	0.58:1
Mr. Ajay Kumar Chakraborty	0.23	0.16	-	0.11:1
Mrs. Nidhi Baheti	1.08	0.53	-	0.50:1
Mr. Ramesh Kumar Maheshwari	1.23	0.87	-	0.57:1
Other KMPs				
Mr. Vineet Agrawal Chief Executive Officer	228.00	228.00	-	104.91:1
Mr. Rajesh Singhania Chief Financial Officer	17.56	15.77	11.36	8.08:1
Mr. Ajay Sharma Company Secretary	5.68	5.60	1.39	2.61:1

Note(s):

*Independent Directors and Non-Executive Directors of the Company are entitled only for sitting fee as per the statutory provisions and within the limits. The details of sitting fees of Non-Executive Directors are provided in the Report on Corporate Governance and are governed by the Remuneration Policy of the Company, as provided in the Annual Report. In view of this, the calculation of percentage increase in remuneration of Independent Directors and Non-Executive Directors would not be relevant and hence not provided.

2. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is no increase of remuneration of managerial personnel during the last financial year.

Note: for the purpose of Managerial Personnel, Managing Director is only included.

3. It is hereby affirmed that the remuneration paid to all Directors, Key Managerial Personnel and employees during the financial year ended 31st March, 2023 is as per the Remuneration Policy of the Company

B). Statement as per Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Particulars									
i)	The details of the top ten Employees based on remuneration drawn during the FY 2022-23:									
SN.	Name of the Employee	Designation	Remuneration Drawn	Nature of Employment	Qualification and Experience	Date of Joining	Age	Last Employment	Percentage of Shares held in Company	Related to Director of Company, if any
1)	Mr. Varun Agrawal	Managing Director	2,40,00,000/-	Permanent	Commerce Graduate and 18 years	17.11.2014	40	Manaksia Limited	19.4727%	Suresh Kumar Agrawal – Father
2)	Mr. Vineet Agrawal	Chief Executive Officer	2,28,00,000/-	Permanent	Commerce Graduate and 25 years	17.11.2014	47	Manaksia Aluminium Company Limited	Nil	None
3)	Mr. Santosh Agrawal	President (Export-Import)	81,32,350/-	Permanent	B.E, PGDBM and 41 years	01.01.2017	65	Manaksia Limited	0.0000%	None
4)	Mr. Rajesh Singhania	C.F.O.	17,56,080/-	Permanent	ACA, B.Com(H) and 34 years	23.11.2014	56	Manaksia Limited	0.0000%	None
5)	Mr. Santosh Kumar Agrawal	GM. Corp. Admn.	15,66,449/-	Permanent	B.Com(H) and 38 years	23.11.2014	60	Manaksia Limited	0.0002%	None
6)	Mr. Indrajit Guha	General Manager	15,18,574/-	Permanent	Diploma in Electrical Engineering and 35 years	23.11.2014	57	Manaksia Limited	0.0006%	None
7)	Mr. Khagendra Kumar Saha	Sr. Manager (Factory)	14,11,070/-	Contractual	Phd. in Chemistry and 44 Years	01.04.2013	72	Manaksia Limited	0.0000%	None
8)	Mr. Ajit Kumar Gupta	Sr. Manager (Export)	12,76,502/-	Permanent	B.Com(H), MBA (International Marketing) 28 years	10.09.2015	54	Manaksia Limited	0.0000%	None
9)	Mr. Anirudha Guha	Vice President	11,58,800/-	Contractual	M.Com 40 Years	01.01.2017	61	Manaksia Limited	0.0000%	None
10)	Mr. Narayan Hari Kabra	Asst. Manager (Accounts)	11,03,060/-	Permanent	ACCA, ACA, B.Com (H) and 4 years	25.06.2019	26	Surana Naveen Vikash & Co.	0.0000%	None

ii) Except Mr. Varun Agrawal, Managing Director and Mr. Vineet Agrawal, Chief Executive Officer as mentioned in the above table at point B (i), there are no employees employed throughout the Financial Year 2022-23 who were in receipt of remuneration during FY 2022-23, in the aggregate, was more than or equal to ₹1.02 crore.

iii) Except Mr. Varun Agrawal, Managing Director and Mr. Vineet Agrawal, Chief Executive Officer as mentioned in the above table at point B (i), there are no employees employed for a part of the Financial Year 2022-23 who were in receipt of remuneration for such part during FY 2022-23 at a rate which, in the aggregate, was more than or equal to ₹8.50 lacs per month.

iv) There are no employees employed throughout the financial year 2022-23 or for a part thereof, who were in receipt of remuneration during the FY 2022-23 or for part thereof which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the Managing Director and holds by himself/herself or along with his/her spouse and dependent children, not less than 2 (Two) percent of the equity shares of the Company.

Note: For purpose of above point no. (B)(ii)(iii) & (iv), the term employees exclude Managing Director and Whole-Time Director.

For and on behalf of the Board of Directors

Place: Kolkata
Date : 25th May, 2023

Varun Agrawal
Managing Director
DIN: 00441271

Mrinal Kanti Pal
Director
DIN: 00867865

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiary companies

Part "A"

SR. No.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments (excluding Investments made in subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Technomet International FZE	03.08.2017	April to March	AED (₹22.4024/ AED)	2,487.46	916.47	3,503.13	99.20	-	-	(103.70)	-	(103.70)	-	100%
2	Federated Steel Mills Limited	17.12.2017	March to February	NGN (₹0.1786/ NGN)	2,070.32	283.31	7,618.69	5,265.06	-	10,114.15	165.44	112.48	52.97	-	100%
3	Far East Steel Industries Limited	17.12.2017	November to October	NGN (₹0.1786/ NGN)	204.98	(57.88)	214.73	67.63	-	-	-	-	-	-	100%
4	Sumo Agrochem Limited	01.04.2019	January to December	NGN (₹0.1786/ NGN)	80.04	(70.23)	13.61	3.80	-	1.32	(4.56)	-	(4.56)	-	100%

For and on behalf of the Board of Directors

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

FORM NO. AOC- 2**Particulars of contracts/arrangements with related parties****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth provision thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which are not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangements or transactions entered into during the year ended March 31, 2023, which are at arm's length basis.

Name(s) of the related party and nature of relationship	Sumo Steels Limited, entity over which KMP's and their relatives have significant influence	Manaksia Limited, entity over which KMP's and their relatives have significant influence
Nature of contracts/ arrangements/ transactions	Sale of raw materials like Hot Rolled Coils, Spares, etc.	Sale of Cold Rolled Steel Coils/Sheets, Pre-painted Galvanized Steel Coils/ Sheets and Galvanized Steel Coils/ Sheets
Duration of the contracts/ arrangements/transactions	During the FY 2022-23	During the FY 2022-23
Salient terms of the contracts or arrangements or transactions including the value, if any	Monetary value of the aggregate transactions during the FY 2022-23 was ₹96.09 Crores at prevailing market price and on general commercial terms of the Company.	Monetary value of the aggregate transactions during the FY 2022-23 was ₹60.41 Crores at prevailing market price and on general commercial terms of the Company.
Date of approval by the Board, if any:	12th May, 2022	12th May, 2022
Amount paid as advances, if any	Not Applicable	Not Applicable

For and on behalf of the Board of Directors

Place: Kolkata
Date : 25th May, 2023

Varun Agrawal
Managing Director
DIN: 00441271

Mrinal Kanti Pal
Director
DIN: 00867865

FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Manaksia Steels Limited

Report on the audit of Standalone Ind AS financial statements

Opinion

We have audited the standalone Ind AS financial statements of Manaksia Steels Limited ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of profit and loss including Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31 March 2023. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<p>Revenue from Sale of Goods</p> <p>The Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(II) and as reflected in note 25 to the Ind AS Standalone financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances and trade discounts.</p> <p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<p>Our audit procedure includes the following:</p> <ul style="list-style-type: none"> • Considered the adequacy of the company's revenue recognition policy and its compliance in terms of Ind AS 115 "Revenue from contracts with customers. • Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition. • Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115. • We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. • Assessed the relevant disclosure made in the standalone Ind AS financial statement.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Standalone Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Other Section of Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that gives a true and fair view of the financial position, financial performance, Changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company

or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section

133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;

- e. On the basis of the written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 33 of the standalone Ind AS financial statements).
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) As represented by the management, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries")

- or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) As represented by the management that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail(edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Agrawal Tondon & Co.
Chartered Accountants
Firm Registration No.-329088E

Kaushal Kejriwal
(Partner)
Membership No. 308606
UDIN: 23308606BGUBME8570

Date: 25 May 2023
Place: Kolkata

Annexure A

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

In terms of the information and explanations sought by us and given by Manaksia Steels Limited (Company) and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company does not have any intangible asset and hence reporting under clause 3(i) (a)(B) is not applicable.
- (b) All Property, Plant and Equipment have not been physically verified by the management

during the year but there is a regular programme of verification of all the Property, Plant and Equipment over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

- (c) The tile deed of the immovable property (other than the properties where the Company is the lessee and the lease agreement are duly executed in favour of lessee), as disclosed in Note 3 on Property, plant and equipment to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held since which date	Reason for not being held in the name of the Company
Leasehold Land at Haldia	160.42	Manaksia Limited	No	13th July, 2004	The Lease Deed has not been executed in the favour of company till date as the matter is pending before the Hon'ble High Court Kolkata.

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification is commensurate with the size of the Company and no discrepancies of 10% or more in aggregate for each class of inventory were noticed by the Company
- (b) As disclosed in Note 41(I) to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- iii. The Company has not provided loans or advance in nature of loans, or stood guarantee, or provided security to any other entity. Accordingly, paragraph 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits under the provisions of Sections 73 to Section 76 of the Companies Act, 2013 during the year. Hence, the provisions of Clause (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 of the Companies Act, 2013, and are of the opinion that prima-facie the prescribed records have been made and maintained. We have, however, not made

a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, GST and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed

amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 23 for a period of more than six months from the date they became payable.

(b) There are no dues of service tax, sales tax, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of entry tax, income tax and excise duty demand have not been deposited by the Company on account of disputes:

Sl.	Name of the Statute	Nature of dues	Amount ₹ (In Lacs)	Financial year to which the Amount Relates	Forum where dispute is pending
1	Central Excise Act, 1944	Excise duty demand	3.60	2015-16 & 2016-17	AC CGST & CX Bankura - 1 Bankura Commissionerate
2	West Bengal Entry Tax Act, 2012	Entry Tax	580.69	2012-13, 2013-14, 2014-15, 2015-16 & 2017-18	The Hon'ble High Court of Calcutta
3	Income Tax Act, 1961	Income Tax	155.19	2015-16	Assistant Commissioner of Income Tax

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) The term loans were applied for the purpose for which they were raised.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further

public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) According to the information and explanations given by the management, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to

- the standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the internal audit system of the Company is commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. According to information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the current year as well as in the immediately preceding financial year respectively.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios as disclosed in Note 41(II) to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. As disclosed in Note 31 of the standalone financial statements, there are no unspent amount which is required to be transferred in compliance with Section 135(5) and 135(6) of the Companies Act, 2013.

For Agrawal Tondon & Co.
Chartered Accountants
Firm Registration No.-329088E

Kaushal Kejriwal
(Partner)
Membership No. 308606
UDIN: 23308606BGUBME8570

Date: 25 May 2023
Place: Kolkata

Annexure B

to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Manaksia Steels Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Agrawal Tondon & Co.**
Chartered Accountants
Firm Registration No. -329088E

Kaushal Kejriwal
(Partner)
Membership No. 308606
UDIN: 23308606BGUBME8570

Date: 25 May 2023
Place: Kolkata

Standalone Balance Sheet

as at March 31,2023

₹ in Lacs

Particulars	Notes	₹ in Lacs	
		As at March 31,2023	As at March 31,2022
ASSETS			
I. Non-Current Assets			
a) Property, Plant and Equipment	3.1	3,806.88	3,678.88
b) Capital Work-in-Progress	3.2	691.50	501.57
c) Right-of-Use Asset	3.3	207.98	242.91
d) Financial Assets			
i) Investments	4	6,800.96	5,484.56
ii) Other Financial Assets	5	119.40	240.46
e) Other Non-Current Assets	6	525.78	123.56
		12,152.50	10,271.95
II. Current Assets			
a) Inventories	7	9,270.12	8,178.36
b) Financial Assets			
i) Investments	8	8,634.80	2,223.17
ii) Trade Receivables	9	1,494.18	1,883.92
iii) Cash and Cash Equivalents	10	485.94	717.92
iv) Other Bank Balances	11	352.00	57.55
v) Other Financial Assets	12	1,565.09	2,195.64
c) Other Current Assets	13	1,581.80	3,286.46
d) Current Tax Assets (Net)	14	134.08	146.20
		23,518.01	18,689.23
TOTAL ASSETS		35,670.51	28,961.17
EQUITY AND LIABILITIES			
III. Equity			
a) Equity Share Capital	15	655.34	655.34
b) Other Equity	16	27,531.94	25,090.53
		28,187.28	25,745.87
IV. Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	-	28.19
ii) Lease Liabilities	39	31.29	70.29
b) Provisions	18	100.48	95.35
c) Deferred Tax Liabilities (Net)	19	523.98	325.15
		655.75	518.98
V. Current Liabilities			
a) Financial Liabilities			
i) Borrowings	20	4,545.46	706.49
ii) Lease Liabilities	39	38.61	34.86
iii) Trade Payables	21		
A) total outstanding dues of micro and small enterprises; and		54.03	126.05
B) total outstanding dues of creditors other than micro and small enterprises		1,139.12	767.55
iv) Other Financial Liabilities	22	794.19	839.08
b) Other Current Liabilities	23	189.52	148.59
c) Provisions	24	66.55	73.70
		6,827.48	2,696.32
TOTAL EQUITY AND LIABILITIES		35,670.51	28,961.17
Significant Accounting Policies	2		
Notes to Financial Statements	3-44		

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**

Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

Standalone Statement of Profit and Loss

for the Year Ended March 31, 2023

₹ in Lacs

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I. INCOME			
Revenue from Operations	25	64,148.10	50,452.14
Other Income	26	722.78	822.71
Total Income		64,870.89	51,274.85
II. EXPENSES			
Cost of Materials Consumed (including Trading Goods)	27	56,260.56	40,470.16
Changes in Inventories of Finished Goods, Stock- in-Trade and Work-in-Progress	28	(84.98)	(771.71)
Employee Benefits Expense	29	1,340.41	1,317.19
Other Expenses	31	4,925.53	5,556.84
Total Expenses		62,441.52	46,572.47
III. Profit before Interest, Tax, Depreciation & Amortisation		2,429.37	4,702.37
Finance Costs	30	246.89	80.79
Depreciation and Amortization Expense	3	537.85	562.89
IV. Profit before Tax		1,644.63	4,058.69
V. Tax Expenses	32		
Current Tax		340.00	1,040.00
Short/(Excess) Provision for Taxation for Earlier Years		(6.24)	25.50
Deferred Tax		46.02	37.21
Total Tax Expenses		379.77	1,102.71
VI. Profit for the period		1,264.87	2,955.98
VII. Other Comprehensive Income / (Loss)			
A. (i) Items that will not be reclassified subsequently to Profit and Loss			
(a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans		5.38	7.48
(b) Gains/(Losses) from Investment in Equity Instrument designated at FVTOCI		1,324.00	934.00
(ii) Tax on Items that will not be reclassified subsequently to Profit and Loss		(152.82)	(17.29)
VIII. Total Comprehensive Income for the period		2,441.43	3,880.17
IX. Basic and Diluted Earnings per Equity Share of Face Value of ₹ 1/- each	34	₹1.93	₹4.51
Significant Accounting Policies	2		
Notes to Financial Statements	3-44		

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**Chartered Accountants
Firm Regn. No. 329088E**Varun Agrawal**
(Managing Director)
DIN - 00441271**Vineet Agrawal**
(Chief Executive Officer)**Mrinal Kanti Pal**
(Director)
DIN - 00867865**Kaushal Kejriwal**
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023**Rajesh Singhania**
(Chief Financial Officer)**Ajay Sharma**
(Company Secretary)

Statement of Cash Flows

for the Year Ended March 31,2023

₹ in Lacs

Particulars	March 31,2023	March 31,2022
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax :	1,644.63	4,058.69
Adjustment for:		
Depreciation/ Amortisation Expenses	537.85	562.89
Finance Cost	246.89	80.79
Interest Income	(153.52)	(356.34)
(Gain)/Loss on Property, Plant & Equipment Sold / Discarded (Net)	(2.08)	(18.10)
Dividend Received on Investment in Equity Shares	(127.48)	(134.30)
(Gain)/Loss from Sale of Current Investments	(141.97)	(219.66)
Fair Value changes of Investments in Equity Shares	(297.73)	(94.31)
Operating Profit before Working Capital Changes	1,706.58	3,879.64
Adjustments for:		
(Increase)/Decrease in Non-Current/Current Financial and other Assets	2,335.41	(2,888.25)
(Increase)/Decrease in Inventories	(1,091.76)	(199.74)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities/Provisions	294.00	140.98
Cash Generated from Operations	3,244.22	932.63
Direct Taxes Paid	(321.64)	(1,128.69)
Net Cash Flow from Operating Activities	2,922.59	(196.06)
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment and change in Capital work in progress	(822.17)	(690.01)
Sale of Property, Plant & Equipment	3.39	26.29
Sale/(Purchase) of other Non-Current Investments	7.60	2.50
Sale/(Purchase) of Current Investments	(5,971.93)	(1,519.49)
Redemption/(Investment) in Fixed Deposits	(178.05)	7,345.43
Interest Received	145.52	645.03
Dividend Received on Equity Shares	127.48	134.30
Net Cash Flow from/(Used in) Investing Activities	(6,688.14)	5,944.06
C: CASH FLOW FROM FINANCING ACTIVITIES:		
(Repayment of)/ Proceeds from Long Term Borrowings (Net)	(0.00)	(6.78)
(Repayment of)/ Proceeds from Short Term Borrowings (Net)	3,810.78	(5,555.65)
Repayment of Principal portion of lease liabilities	(35.26)	(28.19)
Repayment of Interest portion of lease liabilities	(8.91)	(12.12)
Interest Paid	(233.03)	(82.42)
Net Cash Flow From/(Used in) Financing Activities	3,533.58	(5,685.16)
D: Net Increase/(Decrease) in Cash and Cash Equivalents	(231.98)	62.85
Cash and Cash Equivalents at the beginning of the period	717.92	655.07
Cash and Cash Equivalents at the end of the period	485.94	717.92
E: Cash and Cash Equivalents comprise:		
Balances with Banks	471.91	690.66
Cheques on Hand	8.05	13.04
Cash on Hand	5.98	14.22
Cash and Cash Equivalents as at year end	485.94	717.92

Note: Previous year's figures have been rearranged and regrouped wherever necessary.

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**

Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

Statement of Changes in Equity

for the Year ended March 31,2023

A. EQUITY SHARE CAPITAL

₹ in Lacs

Balance as at April 01,2021	655.34
Changes in Equity Share Capital during the year 2021-22	-
Balance as at March 31,2022	655.34
Changes in Equity Share Capital during the year 2022-23	-
Balance as at March 31,2023	655.34

B. OTHER EQUITY

Particulars	Reserves and Surplus					Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI	
Balance as at April 01,2021	5.00	4,673.93	8,138.32	8,008.33	384.78	21,210.36
Profit for the period	-	-	-	2,955.98	-	2,955.98
Other Comprehensive Income						
i) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans	-	-	-	5.60	-	5.60
ii) Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI	-	-	-	-	918.58	918.58
Balance as at March 31,2022	5.00	4,673.93	8,138.32	10,969.91	1,303.36	25,090.52
Balance as at April 01,2022	5.00	4,673.93	8,138.32	10,969.91	1,303.36	25,090.52
Profit for the period	-	-	-	1,264.87	-	1,264.87
Other Comprehensive Income						
i) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans	-	-	-	4.02	-	4.02
ii) Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI	-	-	-	-	1,172.53	1,172.53
Balance as at March 31,2023	5.00	4,673.93	8,138.32	12,238.80	2,475.89	27,531.94

Statement of Changes in Equity for the Year ended March 31,2023

Nature and Purpose of Reserves :

- A) **Capital Reserve** : In terms of an earlier Scheme of Demerger, Share Capital of ₹5 lacs prior to such Demerger, had been transferred to Capital Reserve Account.
- B) **Securities Premium** : This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- C) **General Reserve** : Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to general reserve can be utilised only in accordance with the specific requirement of Companies Act, 2013.
- D) **Retained Earnings** : This reserve represents cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013
- E) **Other Comprehensive Income Reserves** :
- i) **Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI** : This reserve represents effect of remeasurements of fair valuation of Quoted Equity Instruments that will not be reclassified to Statement of Profit & Loss.

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**
Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

Notes to Financial Statements

as at and for the Year ended March 31, 2023

1. Company Overview

Manaksia Steels Limited ("the Company") is a public limited company incorporated in India having its registered office situated at 6, Lyons Range 1st Floor, Turner Morrison Building, Kolkata - 700 001. The Company has its shares listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is primarily engaged in the manufacture of value-added secondary steel products like Cold Rolled Sheets, Galvanised Corrugated Sheets, Galvanised Plain Sheets, Colour Coated (Pre-painted) Sheets, etc. The manufacturing units of the Company are located at Haldia & Bankura (West Bengal).

2. Significant Accounting Policies

(I) Basis of preparation :-

(a) Statement of compliance

These Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act, as applicable. The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 25, 2023.

(b) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

(c) Basis of measurement

These financial statements are prepared under the historical cost convention on the accrual basis except for the following items:-

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Assets held for sale-measured at the lower of its carrying amount and fair value less costs to sell; and
- (iii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(d) Use of estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

II) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised.

Notes to Financial Statements

as at and for the Year ended March 31, 2023

Sale of Products

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

Contract Balances

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Dividend income is recognized in Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income is recognized using the effective interest method. All other income are recognized on accrual basis.

III) Property, Plant & Equipment

Property, plant and equipment are stated at acquisition cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalised till the start of commercial production.

Depreciation is provided on the straight line method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives are as follows :

Building	30 Years
Plant & Equipment	10 - 20 Years
Computers	3 Years
Office Equipment	3 - 5 Years
Furniture & Fixtures	5 - 10 Years
Vehicles	8 Years

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under 'Other Non-Current Assets' and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

IV) Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible Assets acquired in a business combination is valued at their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the

Notes to Financial Statements

as at and for the Year ended March 31, 2023

amortization method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on Intangible Assets with finite lives is recognized in the Statement of Profit & Loss. The Company amortizes intangible assets over their estimated useful lives using the straight line method.

Intangible Assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

V) Inventories

Inventories are valued at cost or net realisable value whichever is lower except for saleable scraps, whose cost is not identifiable, which are valued at estimated net realisable value. Closing stock has been valued on Weighted Average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

VI) Financial Instruments

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

i. Non derivative financial instruments

a) *Financial assets carried at amortized cost*

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) *Financial assets at fair value through other comprehensive income*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) *Financial assets at fair value through profit or loss*

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d) *Financial liabilities*

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

e) *Investment in subsidiaries*

Investment in subsidiaries is carried at cost in the separate financial statements.

Notes to Financial Statements

as at and for the Year ended March 31, 2023

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income.

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VII) Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) **Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) **Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

VIII) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating unit) Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

IX) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Notes to Financial Statements

as at and for the Year ended March 31, 2023

X) Foreign Currency Transactions & Translations

The functional currency of the Company is Indian Rupee. These Financial Statements are presented in Indian Rupee (rounded off to the nearest Lacs).

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

Monetary Assets & Liabilities in foreign currency that are outstanding at the yearend are translated at the yearend exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

XI) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

XII) Employee Benefits

Defined Contribution Plan

The Company makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Company recognizes the net obligation of the defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The Company recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered

XIII) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

XIV) Leases

The company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

Company as a lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Notes to Financial Statements as at and for the Year ended March 31, 2023

- Leasehold Land is amortised over the period of lease ranging from 30 to 99 years.
- Building 3 to 15 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

XV) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as received from the cost of asset and are recognized as other income in the Statement of profit & loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

XVI) Income Taxes

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Notes to Financial Statements

as at and for the Year ended March 31, 2023

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XVI) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

XVII) Current and Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period, or
- iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period."

A liability is classified as current when it is:

- i) it is expected to be settled in the normal operating cycle,
- ii) it is due to be settled within twelve months after the reporting period, or
- iii) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent.

XIX) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

XX) Rounding of Amounts

All amounts disclosed in the standalone Financial Statements and notes have been rounded off to the nearest Lacs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

Notes to Financial Statements

as at and for the Year ended March 31,2023

XXI) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no impact on its financial statement.

Notes to Financial Statements

as at and for the Year ended March 31, 2023

3. PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS & RIGHT-OF-USE ASSET(CURRENT YEAR)

Amount in ₹ Lacs

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK			
	As at April 01, 2022	Addition	Deletion/ Adjustment	As at March 31, 2023	As at April 01, 2022	Deductions/ Adjustments	For the Year	Up to March 31, 2023	As at March 31, 2023	As at March 31, 2022
3.1 Property, Plant & Equipment:										
a) Land	6.20	-	-	6.20	-	-	-	-	6.20	6.20
b) Building	1,905.92	19.74	-	1,925.66	501.22	-	84.06	585.28	1,340.39	1,404.71
c) Plant & Equipment	4,638.52	365.07	16.19	4,987.40	2,669.04	14.88	346.73	3,000.89	1,986.51	1,969.48
d) Computers	18.20	7.92	-	26.12	11.27	-	3.90	15.17	10.95	6.93
e) Office Equipment	27.59	5.05	-	32.64	21.14	-	1.65	22.79	9.85	6.45
f) Furniture & Fixtures	29.17	-	-	29.17	19.70	-	1.79	21.49	7.68	9.48
g) Vehicles	500.48	235.02	-	735.50	224.85	-	65.35	290.20	445.30	275.63
Total :	7,126.09	632.81	16.19	7,742.71	3,447.22	14.88	503.48	3,935.82	3,806.88	3,678.88
3.2 Capital Work in Progress	501.57	432.51	242.58	691.50	-	-	-	-	691.50	501.57
3.3 Right-of-Use Asset (Ref Note 39)										
a) Leasehold Land*	160.42	-	-	160.42	6.42	-	2.14	8.56	151.86	154.00
b) Buildings	184.65	-	0.56	184.09	95.74	-	32.23	127.97	56.12	88.91
Total	345.07	-	0.56	344.51	102.16	-	34.37	136.53	207.98	242.91

3.2 Capital-Work-in Progress (CWIP) aging schedule

CWIP	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	> 3 years
Projects in progress	432.51	229.12	29.87
			Total
			691.50

3.4 The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 on Property, plant and equipment and Right-of-use assets are held in the name of the Company, except for the following:

Relevant line item in the Balance sheet	Description of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter/director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
* 3.3 (a)	Leasehold Land at Haldia	160.42	Manaksia Limited	No	13/Jul/2004	Post Demerger from Manaksia Limited, the leasehold right has not been transferred in the name of the Company and the matter is pending before Hon'ble High Court Kolkata.

Notes to Financial Statements

as at and for the Year ended March 31, 2023

3. PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS & RIGHT-OF-USE ASSET(PREVIOUS YEAR)

Amount in ₹ Lacs

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK			
	As at April 01, 2021	Addition	Deletion/ Adjustment	As at March 31, 2022	As at April 01, 2021	Deductions/ Adjustments	For the Year	Up to March 31, 2022	As at March 31, 2022	As at March 31, 2021
3.1 Property, Plant & Equipment:										
a) Land	6.20	-	-	6.20	-	-	-	-	6.20	6.20
b) Building	1,905.92	-	-	1,905.92	417.68	-	83.54	501.22	1,404.71	1,488.24
c) Plant & Equipment	4,528.75	112.01	2.23	4,638.52	2,299.65	1.14	370.54	2,669.04	1,969.48	2,229.11
d) Computers	15.04	3.16	-	18.20	7.83	-	3.44	11.27	6.93	7.22
e) Office Equipment	24.89	3.39	0.69	27.59	21.61	0.66	0.18	21.14	6.45	3.27
f) Furniture & Fixtures	29.17	-	-	29.17	15.50	-	4.20	19.70	9.48	13.67
g) Vehicles	469.12	101.46	70.09	500.48	221.44	63.02	66.43	224.85	275.63	247.67
Total :	6,979.09	220.01	73.01	7,126.09	2,983.71	64.82	528.33	3,447.22	3,678.88	3,995.38
3.2 Capital Work in Progress	31.58	470.00	-	501.57	-	-	-	-	501.57	31.58
3.3 Right-of-Use Asset (Ref Note 39)										
a) Leasehold Land*	160.42	-	-	160.42	4.28	-	2.14	6.42	154.00	156.14
b) Buildings	184.65	-	-	184.65	63.33	-	32.41	95.74	88.91	121.32
Total	345.07	-	-	345.07	67.60	-	34.55	102.16	242.91	277.46

3.2 Capital-Work-in Progress (CWIP) aging schedule

CWIP	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	2-3 years
Projects in progress	470.00	1.71	29.87
Total			501.57

3.4 The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 on Property, plant and equipment and Right-of-use assets are held in the name of the Company, except for the following:

Relevant line item in the Balance sheet	Description of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
* 3.3 (a)	Leasehold Land at Haldia	160.42	Manaksia Limited	No	13/Jul/2004	Post Demerger from Manaksia Limited, the leasehold right has not been transferred in the name of the Company and the matter is pending before Hon'ble High Court Kolkata.

Notes to Financial Statements

as at and for the Year ended March 31,2023

4. Investments (Non-Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Investments carried at Cost (Unquoted)		
Investment in Equity Instruments in Subsidiary Technomet International FZE, Dubai (14 Nos. Equity Shares of AED 1 Million each)	2,487.46	2,487.46
Investments carried at Amortised Cost (Unquoted)		
Investment in Bonds 9.70% UPPCL 2031 - UP Power Corporation Limited (50 Nos. Bonds of Face Value ₹80,000/- each) (Previous Year: 50 Nos. Bonds of Face Value ₹ 85,000/- each)	37.50	45.10
Investments carried at Fair Value Through Other Comprehensive Income (Quoted)		
Investment in Equity Shares Manaksia Limited (4000000 Nos. Equity Shares of Face Value ₹2/- each)	4,276.00	2,952.00
Total	6,800.96	5,484.56
Aggregate Amount & Market Value of Investments :		
Quoted	4,276.00	2,952.00
Aggregate Amount of Investments :		
Unquoted	2,524.96	2,532.56

5. Other Financial Assets (Non-Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at amortised cost (Unsecured, Considered Good)		
Security Deposits	19.23	17.99
Fixed Deposits with Banks with remaining maturity of More than 12 months	100.17	222.47
Total	119.40	240.46

Lien with Banks

6. Other Non-Current Assets

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
(Unsecured, Considered Good)		
Advances for Capital Goods	525.78	123.56
Total	525.78	123.56

7. Inventories

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
At Lower of Cost or Net Realisable Value		
Raw Materials *	5,925.10	5,037.70
Work-in-Process	2,277.82	1,775.15
Finished Goods	602.70	1,020.49
Stores & Spares	390.19	274.17
Packing Material	70.28	66.92
At Estimated Realisable Value		
Scraps	4.03	3.93
Total	9,270.12	8,178.36

Notes to Financial Statements

as at and for the Year ended March 31,2023

8. Investments (Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Investments carried at Fair Value through Profit & Loss		
Investments in Mutual Funds (Refer Note No.8.1)	7,733.27	1,503.14
Investments in Equity Shares (Refer Note No.8.2)	384.91	715.03
Investments carried at Amortised Cost (Unquoted)		
Investment in Bonds - Current Maturity		
9.70% UPPCL 2031 - UP Power Corporation (Current portion)	5.00	5.00
(50 Nos. Bonds of Face Value ₹1,00,000/- each)		
9.56% SBI 2023 - State Bank of India	511.62	-
(50 Nos. Bonds of Face Value ₹10,00,000/- each)		
Total	8,634.80	2,223.17

8.1 Investments in Mutual Funds (Unquoted)

Particulars	As at March 31,2023		As at March 31,2022	
	No. of Units	Amt. in ₹ Lacs	No. of Units	Amt. in ₹ Lacs
HDFC Balanced Advantage Fund (NAV: ₹344.595)	98,570.172	339.67	58,458.617	176.65
HDFC Arbitrage Fund (NAV: ₹16.99)	1,17,79,669.379	2,001.37	17,51,310.395	281.66
HDFC Money Market Fund	-	-	23.082	1.07
HDFC Short Term Debt Fund	-	-	4,207.800	1.10
ICICI Pru Arbitrage Fund (NAV: ₹30.9523)	3,241.886	1.00	-	-
ICICI Pru Equity And Debt Fund (NAV: ₹261.31)	380.614	0.99	-	-
Nippon India Arbitrage Fund (NAV: ₹24.1388)	60,53,521.172	1,461.25	16,64,323.141	379.93
SBI Arbitrage Opportunities Fund (NAV: ₹30.2197)	85,51,593.991	2,584.27	6,70,626.968	191.33
SBI STD Fund	-	-	3,974.870	1.08
TATA Alternative Investment Fund (NAV: ₹1022.6343)	19,999.000	204.52	-	-
TATA Arbitrage Fund (NAV: ₹12.6809)	89,91,560.345	1,140.20	39,23,992.570	470.32
Total		7,733.27		1,503.14

8.2 Investments in Equity Shares (Quoted)

Particulars	As at March 31,2023		As at March 31,2022	
	No. of Sh.	Amt. in ₹ Lacs	No. of Sh.	Amt. in ₹ Lacs
Aditya Birla Capital Ltd. (FV : ₹10)	-	-	12,900	13.89
Apollo Micro Systems Limited (FV : ₹10)	6,800	18.83	-	-
Artemis Medicare Services Limited (FV : ₹1)	-	-	19,300	8.86
Arvind Fashions Limited (FV : ₹4)	-	-	1,450	4.12
AXISCADES Engineering Technologies Ltd. (FV : ₹5)	-	-	8,100	10.23
Bajaj Hindusthan Sugar Ltd (FV : ₹1)	1,00,000	12.90	1,00,000	14.20
Ballarpur Industries Limited (FV : ₹2)	-	-	3,00,000	3.45
Bank of Baroda Ltd (FV : ₹2)	6,200	10.47	9,500	10.60
Bharat Heavy Electricals Ltd. (FV : ₹2)	-	-	30,600	15.10
CESC Ltd (FV : ₹10)	6,400	4.27	6,400	4.85
Coal India Limited (FV : ₹10)	-	-	30,000	54.92
Cochin Shipyard Ltd. (FV : ₹10)	1,800	8.56	3,531	10.39
Den Network (FV : ₹10)	17,000	4.56	17,000	6.27
Engineers India Ltd. (FV : ₹5)	-	-	9,700	6.21
GAIL (India) Limited (FV : ₹10)	-	-	6,650	10.35
GFL Limited (FV : ₹1)	11,280	5.37	11,280	8.90
Graphite India Ltd. (FV : ₹2)	4,600	12.08	4,600	23.13
Gujarat Fluorochemicals Ltd. (FV : ₹1)	-	-	2,000	54.85
Hindustan Petroleum Corporation Ltd (FV : ₹10)	4,100	9.71	4,100	11.04
Indian Bank Limited (FV : ₹10)	2,000	5.77	3,000	4.62
Indian Oil Corporation Limited (FV : ₹10)	14,000	10.91	8,000	9.52
ITC Limited (FV : ₹1)	3,200	12.27	4,850	12.16
LIC Housing Finance Ltd. (FV : ₹2)	2,600	8.55	2,600	9.33
Mangalore Refinery & Petrochemicals Ltd (FV : ₹10)	-	-	11,400	4.74
NLC India limited (FV : ₹10)	13,700	10.57	13,700	8.57
NMDC Limited (FV : ₹1)	29,000	32.35	35,000	56.89
Oil India Ltd. (FV : ₹10)	-	-	4,600	10.97

Notes to Financial Statements

as at and for the Year ended March 31,2023

8.2 Investments (Current) (Contd.)

Particulars	As at March 31,2023		As at March 31,2022	
	No. of Sh.	Amt. in ₹ Lacs	No. of Sh.	Amt. in ₹ Lacs
Pennar industries Ltd. (FV : ₹5)	-	-	23,100	7.98
Power Finance Corporation Limited (FV : ₹10)	-	-	9,000	10.13
Power Grid Corporation of India Limited (FV : ₹10)	-	-	4,740	10.28
Rana Sugars Ltd (FV : ₹10)	18,600	4.09	16,000	4.60
RepcO Home Finance Ltd. (FV : ₹10)	2,150	3.86	2,500	4.41
Rites Limited (FV : ₹10)	3,000	10.64	4,200	11.03
Rushil Decor Limited (FV : ₹10)	-	-	7,000	37.81
SJVN Limited (FV : ₹10)	-	-	39,000	10.71
SPICEJET LTD (FV : ₹10)	-	-	25,000	13.60
Star Cement Ltd. (FV : ₹1)	1,39,513	156.05	1,39,513	125.00
Steel Authority Of India (FV : ₹10)	20,600	17.04	20,600	20.30
Tata Coffee Limited (FV : ₹1)	-	-	2,600	5.64
Tata Steel Ltd (FV : ₹10)	8,350	8.73	835	10.92
Techno Electric & Engineering Company Limited (FV : ₹2)	-	-	4,100	10.16
Texmaco Rail and Engineering Ltd (FV : ₹2)	16,000	6.79	29,923	12.48
Titagarh Wagons Ltd. (FV : ₹2)	-	-	4,200	4.26
Vodafone Idea Ltd. (FV : ₹10)	-	-	1,92,000	18.53
Zydus lifesciences Limited (FV : ₹1)	2,150	10.57	2,600	9.06
Total		384.91		715.03
Aggregate Amount & Market Value of Current Investments :				
Quoted		384.91		715.03
Unquoted		8,249.89		1,508.14

9. Trade Receivables

Particulars	₹ in Lacs	
	As at March 31,2023	As at March 31,2022
Financial Assets carried at Amortised Cost (Considered Good - Unsecured)		
Trade Receivables	1,494.18	1,883.92
Total	1,494.18	1,883.92

Trade Receivable ageing schedule as on March 31, 2023

Particulars	Outstanding for the followings period from due date of payment				
	Current but not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	Total
Undisputed Trade Receivables - Considered Good	442.09	1,047.46	4.62	-	1,494.18

Trade Receivable ageing schedule as on March 31, 2022

Particulars	Outstanding for the followings period from due date of payment				
	Current but not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	Total
Undisputed Trade Receivables - Considered Good	220.92	1,650.15	12.85	-	1,883.92

Notes to Financial Statements

as at and for the Year ended March 31,2023

10. Cash and Cash Equivalents

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at Amortised Cost		
Balances with Banks	471.91	690.66
Cheques on Hand	8.05	13.04
Cash on Hand	5.98	14.22
Total	485.94	717.92

11. Other Bank Balances

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at Amortised Cost		
Fixed Deposits with Banks with original maturity of		
More than 3 months but less than 12 months #	60.51	57.55
Less than 3 months #	291.49	-
Total	352.00	57.55

Lien with Banks

12. Other Financial Assets (Current)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at amortised cost (Unsecured, Considered Good)		
Interest Accrued on Investment in Bonds	13.63	0.98
Fixed Deposits with Banks with remaining maturity of		
Less than 12 months #	1,415.61	2,058.24
Advances to Employees	135.85	136.42
Total	1,565.09	2,195.64

Lien with Banks

13. Other Current Assets

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
(Unsecured, Considered Good)		
Advances to Vendors	314.52	2,942.56
Balances with Statutory Authorities	1,230.06	285.73
Export Incentives Receivable	23.91	29.05
Prepaid Expenses	17.81	29.12
Total	1,581.80	3,286.46

14. Current Tax Assets (Net)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Advance Tax (Net of Provision for Income Tax)	134.08	146.20
Total	134.08	146.20

Notes to Financial Statements

as at and for the Year ended March 31,2023

15. Equity Share Capital

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
a) Authorised:		
7,50,00,000 Equity Shares of ₹1/- each	750.00	750.00
(P.Y. 7,50,00,000 Equity Shares of ₹1/- each)	750.00	750.00
b) Issued, Subscribed and Paid-up Capital		
6,55,34,050 Equity Shares of ₹1/- each fully paid up	655.34	655.34
(P.Y. 6,55,34,050 Equity Shares of ₹1/- each fully paid up)	655.34	655.34

c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at March 31,2023		As at March 31,2022	
	No. of shares	% Holding	No. of shares	% Holding
Varun Agrawal	12,761,241	19.47	12,761,241	19.47
Suresh Kumar Agrawal	12,350,360	18.85	12,350,360	18.85
Chandrakala Agrawal	10,750,000	16.40	10,750,000	16.40
Payal Agrawal	12,786,218	19.51	12,786,218	19.51

d) Reconciliation of the shares outstanding is set out below:

Particulars	2022-23	2021-22
	No. of shares	No. of shares
Equity Shares		
At the beginning of the Year	6,55,34,050	6,55,34,050
Add : Changes during the year	-	-
Outstanding at the end of the Year	6,55,34,050	6,55,34,050

e) Details of Shareholding of Promoters as defined in the Companies Act'2013

Disclosure of Shareholding of Promoters as on March 31, 2023:

SL No.	Promoter Name	No. of shares as on April 1,2022	No. of shares as on March 31,2023	% Holding	% Change during the FY 2022-23
1.	Varun Agrawal	1,27,61,241	1,27,61,241	19.47	-
2.	Suresh Kumar Agrawal	1,23,50,360	1,23,50,360	18.85	-
3.	Chandrakala Agrawal	1,07,50,000	1,07,50,000	16.40	-
4.	Payal Agrawal	1,27,86,218	1,27,86,218	19.51	-
5.	Suresh Kumar Agrawal HUF	3,37,500	3,37,500	0.51	-

Disclosure of Shareholding of Promoters as on March 31, 2022:

SL No.	Promoter Name	No. of shares as on April 1,2021	No. of shares as on March 31,2022	% Holding	% Change during the FY 2021-22
1.	Varun Agrawal	1,27,61,241	1,27,61,241	19.47	-
2.	Suresh Kumar Agrawal	1,23,50,360	1,23,50,360	18.85	-
3.	Chandrakala Agrawal	1,07,50,000	1,07,50,000	16.40	-
4.	Payal Agrawal	1,27,86,218	1,27,86,218	19.51	-
5.	Suresh Kumar Agrawal HUF	3,37,500	3,37,500	0.51	-

f) Terms/rights attached to each class of shares

Equity Shares:

The Company has only one class of equity shares having a par value of ₹1/- . Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements

as at and for the Year ended March 31,2023

16. Other Equity

Particulars	As at March 31,2023		As at March 31,2022	
	₹ in Lacs		₹ in Lacs	
A. Securities Premium				
As per last Balance Sheet	4,673.93		4,673.93	
Add: Addition during the Year	-		-	
Balance as at the end of the Year		4,673.93		4,673.93
B. General Reserve				
As per last Balance Sheet	8,138.32		8,138.32	
Add: Addition during the Year	-		-	
Balance as at the end of the Year		8,138.32		8,138.32
C. Capital Reserve				
As per last Balance Sheet	5.00		5.00	
Add: Addition during the Year	-		-	
Balance as at the end of the Year		5.00		5.00
D. Surplus in the statement of profit and loss				
As per last Balance Sheet	10,969.91		8,008.33	
Add : Profit for the Year	1,264.87		2,955.98	
Add: - Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans	4.02		5.60	
Balance as at the end of the Year		12,238.80		10,969.91
E. Other Comprehensive Income				
i) Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI				
As per last Balance Sheet	1,303.36		384.78	
Add: Addition during the Year	1,172.53		918.59	
Balance as at the end of the Year		2,475.89		1,303.36
		27,531.94		25,090.53

17. Borrowings (Non-Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	
Financial Liabilities carried at amortised cost		
Secured		
Term Loan from Financial Institution (Secured against Car)	28.18	34.95
Less:- Current Maturities of Long term Debt	(28.18)	(6.77)
Total	-	28.19

Notes :

Term Loan secured against Car is repayable in 48 monthly installment payable each month with effect from May'2019.

Notes to Financial Statements

as at and for the Year ended March 31,2023

18. Provisions (Non-Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Provisions for Employee Benefits		
Gratuity (Refer Note 37)	100.48	95.35
Total	100.48	95.35

19. Deferred Tax Liability (Net)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Deferred Tax Liability		
Timing difference in depreciable assets	364.81	377.30
Timing difference in Fair Value Gain on Financial Instruments	361.48	172.42
Deferred Tax Asset		
Expenses allowable against taxable income in future years	(202.31)	(224.56)
Net Deferred tax Liability	523.98	325.15

20. Borrowings (Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Liabilities carried at amortised cost		
Secured		
From Banks		
Buyers' Credit (Term Loan)	4,517.28	-
Loans Repayable on Demand	-	699.72
Current Maturities of Long term Loan	28.18	6.77
Total	4,545.46	706.49

Notes :

The Company's Working Capital facilities are secured by First Charge on the current assets of the Company ranking pari passu with the respective Working Capital Bankers.

The amount is further secured on First Charge basis on movable fixed assets of the Company ranking pari passu with the respective Working Capital Bankers.

21. Trade Payables

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Liabilities carried at amortised cost		
Total outstanding dues of micro and small enterprises*	54.03	126.05
Total outstanding dues of creditors other than micro and small enterprises	1,139.12	767.55
Total	1,193.15	893.60
*Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006		
Total outstanding dues of creditors other than micro and small enterprises		
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal amount due to micro and small enterprise	54.03	126.05
Interest due on above	-	-

Notes to Financial Statements

as at and for the Year ended March 31,2023

21. Trade Payables (Contd.)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

Trade Payables ageing schedule as on March 31, 2023

Particulars	Outstanding for the followings period from due date of payment					
	Current but not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	44.79	9.25	-	-	-	54.03
(ii) Others	333.21	773.29	18.74	0.63	13.26	1,139.12

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for the followings period from due date of payment					
	Current but not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	111.82	14.23	-	-	-	126.05
(ii) Others	466.54	279.69	6.74	3.70	10.88	767.55

22. Other Financial Liabilities (Current)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Liabilities carried at amortised cost		
Interest accrued but not due on borrowings	4.95	-
Liabilities for Expenses	789.24	839.08
Total	794.19	839.08

23. Other Current Liabilities

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Contract Liability	158.08	116.53
Statutory Dues	31.44	32.06
Total	189.52	148.59

Notes to Financial Statements

as at and for the Year ended March 31,2023

24. Provisions (Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Provisions for Employee Benefits		
Gratuity (Refer Note 37)	66.55	73.70
Total	66.55	73.70

25. Revenue from Operations

Particulars	For the year ended	For the year ended
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Sale of Products	63,517.11	48,539.57
Sale of Services	607.07	1,896.73
Other Operating Income	23.92	15.83
Total	64,148.10	50,452.14

26. Other Income

Particulars	For the year ended	For the year ended
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Interest Income	153.52	356.34
Income from Investments carried at Fair Value through Profit and Loss		
Dividend Income	127.48	134.30
Fair Value changes of Investments in Current Investments	297.73	94.31
Gain/(Loss) on Sale of Equity Shares	35.71	110.18
Gain/(Loss) on Redemption of Mutual Funds	106.26	109.48
Gain/(Loss) on sale of Property, Plant & Equipment	2.08	18.10
	722.78	822.71

27. Cost of Materials Consumed

Particulars	For the year ended	For the year ended
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Opening Stock	5,037.70	5,683.48
Add : Purchases including Traded Goods	57,147.96	39,824.38
Less : Closing Stock	5,925.10	5,037.70
	56,260.56	40,470.16

28. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Particulars	For the year ended	For the year ended
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Opening Stock		
Finished Goods	1,020.49	190.00
Work in Progress	1,775.15	1,835.34
Scrap	3.93	2.52
	2,799.57	2,027.86

Notes to Financial Statements

as at and for the Year ended March 31,2023

28. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Contd.)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
Closing Stock		
Finished Goods	602.70	1,020.49
Work in Progress	2,277.82	1,775.15
Scrap	4.03	3.93
	2,884.55	2,799.57
Total (Increase) / Decrease	(84.98)	(771.71)

29. Employee Benefits Expense

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Salaries, Wages and Bonus	997.38	982.31
Contribution to Provident & other funds	50.49	48.81
Staff Welfare Expenses	292.54	286.07
Total	1,340.41	1,317.19

30. Finance Costs

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Interest Expenses	170.99	28.78
Interest on Lease Liabilities (Refer Note 39)	8.91	12.12
Other Borrowing Cost	66.99	39.89
Total	246.89	80.79

31. Other Expenses

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Consumption of Stores and Consumables		
Indigenous	574.23	702.50
Imported	-	55.71
Power & Fuel	1,859.70	2,113.38
Processing Charges	22.91	14.32
Carriage Inward	136.75	155.44
Repairs to:		
Building	46.42	73.35
Machinery	93.44	232.08
Others	75.51	92.64
Other Manufacturing Expenses	461.88	408.67
Rent	1.24	1.20
Insurance	43.45	45.66
Rates & Taxes	53.62	51.85
Packing Expenses	369.96	455.33
Freight, Forwarding and Handling Expenses	272.51	416.56
Communication Expenses	12.14	14.42
Travelling & Conveyance	152.03	113.19
Foreign Currency Fluctuation Loss/(Gain) (Net)	107.47	15.50
Auditors' Remuneration		

Notes to Financial Statements

as at and for the Year ended March 31,2023

31. Other Expenses (Contd.)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
As Auditors	8.00	8.00
For Taxation matters	0.50	0.50
For Other services	0.28	0.30
Donations #	53.49	42.87
Commission	2.61	0.34
Other Miscellaneous Expenses	577.40	543.02
Total	4925.53	5556.84

Includes an amount of ₹ 51 Lacs (2021-22 : ₹ 40.48 Lacs) towards Corporate Social Responsibility as per Section 135 of Companies Act, 2013

Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee had been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Act. The utilization is done by way of contribution towards various activities.

The details relating to Corporate Social Responsibility (CSR) expenditure during the year are as follows :

Particulars	2022-23 ₹ in Lacs	2021-22 ₹ in Lacs
A. Gross amount required to be spent by the Company during the year	49.17	35.29
B. Amount spent during the year		
Education and Skill Development Promotion of Healthcare	51.00	40.48
C. Amount unspent during the year	-	-
D. Total of previous years shortfall	-	-

32. Effective Tax Reconciliation

The reconciliation of Estimated Income Tax to Income Tax Expense is as below :

Particulars	For the year ended March 31,2023 ₹ in Lacs	For the year ended March 31,2022 ₹ in Lacs
A. Amount recognized in profit or loss		
Current Tax		
Current period	340.00	1,040.00
Changes in respect of current income tax of previous years	(6.24)	25.50
	(a) 333.76	1,065.50
Deferred Tax		
Attributable to -		
Origination and reversal of temporary differences	(46.02)	(37.21)
	(b) (46.02)	(37.21)
Tax expenses reported in the Standalone Statement of Profit and Loss (a-b)	379.77	1,102.71
B. Income tax recognized in Other Comprehensive Income		
Deferred tax relating to items recognized in other comprehensive income during the year	(152.82)	(17.29)
Income tax expense charged to Other Comprehensive Income	(152.82)	(17.29)

C. Reconciliation of tax expense and the accounting profit for March 31, 2023 and March 31, 2022:

Particulars	March 31,2023 ₹ in Lacs	March 31,2022 ₹ in Lacs
Accounting profit before income tax	1,644.63	4,058.69
Statutory Income Tax rate	25.168%	25.168%

Notes to Financial Statements as at and for the Year ended March 31,2023

Particulars	March 31,2023	March 31,2022
Tax at the applicable India tax rate	413.92	1,021.49
Tax impact on amounts that are adjusted in determining taxable profit:		
Changes in respect of current income tax of previous years	(6.24)	25.50
Income Exempt from Tax / Items not deductible	22.55	22.55
Other adjustments	(50.46)	33.17
	379.77	1,102.71

D. Recognized deferred tax assets and liabilities:

₹ in Lacs

Particulars	Balance as on April 1, 2022	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2023
Property, plant and equipment	(327.52)	(4.95)	-	(332.47)
Other assets	(159.87)	(50.77)	(151.47)	(362.10)
Financial Liabilities	(26.47)	8.87	-	(17.60)
Provisions	188.70	0.84	(1.35)	188.19
Total	(325.16)	(46.02)	(152.81)	(523.98)

Particulars	Balance as on April 1, 2021	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2022
Property, plant and equipment	(359.51)	31.99	-	(327.52)
Other assets	(62.91)	(79.51)	(17.45)	(159.87)
Financial Liabilities	(33.56)	7.10	-	(26.47)
Provisions	185.34	3.22	0.14	188.70
Total	(270.64)	(37.21)	(17.30)	(325.16)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
E. Deferred tax reflected in the Balance Sheet as follows:		
Deferred tax assets	202.31	224.56
Deferred tax liabilities	(726.29)	(549.72)
Deferred tax assets / (liabilities) (net)	(523.98)	(325.16)

33. Contingencies and Commitments

l) Contingent Liabilities

Claims against the company/disputed liabilities not acknowledged as Debts

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Service Tax & Excise Duty	3.60	3.60
Income Tax	155.19	155.19
Demand by Haldia Development Authority towards Land Premium	332.50	332.50
Stamp Duty for Registration of Land	49.45	49.45
Total	540.74	540.74

Notes to Financial Statements

as at and for the Year ended March 31,2023

II) Guarantees given

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Guarantees given by the Company not acknowledged as debt	234.00	21.06
Total	234.00	21.06

III) Commitments

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Commitment of Capital Expenditure not provided for in the accounts (Estimated) (Net of Advances)	3,549.75	298.43
Total	3,549.75	298.43

34. Earnings per share

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Profit as per Statement of Profit and Loss (₹in lacs)	1,264.87	2,955.98
Weighted average number of equity shares	65,534,050	65,534,050
Nominal value per equity share (₹)	1.00	1.00
Earnings per share - Basic and Diluted (₹)	1.93	4.51

35. Entry Tax

The Company has made a provision of ₹ Nil Lakhs (Previous Year ₹Nil Lakhs) in relation to matter under litigation/ dispute as shown below :

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Opening Balance	580.69	580.69
Provisions made during the year	-	-
Closing Balance	580.69	580.69

36. Related Party Disclosures

List of Related Parties :

1.	Subsidiary & Step-down Subsidiaries	Relation	Country of Incorporation	Extent of Holding
	Technomet International FZE	Subsidiary	United Arab Emirates	100%
	Federated Steel Mills Limited	Step-down Subsidiary	Nigeria	100%
	Far East Steel Industries Limited	Step-down Subsidiary	Nigeria	100%
	Sumo Agrochem Limited	Step-down Subsidiary	Nigeria	100%
	Metchem Resources Zambia Limited	Associate (ceases w.e.f 6th March,2023)	Zambia	0.00%
2.	Key Managerial Personnel			
	Sri Varun Agrawal	Managing Director		
	Sri Vineet Agrawal	Chief Executive Officer		
	Sri Rajesh Singhania	Chief Financial Officer		
	Sri Ajay Sharma	Company Secretary		

Notes to Financial Statements

as at and for the Year ended March 31,2023

36. Related Party Disclosures (Contd.)

3. Other Directors		
Sri Suresh Kumar Agrawal		Non-Executive Director
Sri Ajay Kumar Chakraborty		Independent Director
Sri Kali Kumar Chaudhury		Independent Director
Sri Ramesh Kr. Maheshwari		Independent Director
Smt. Nidhi Baheti		Independent Director
Sri Mrinal Kanti Pal		Non-Executive Director
4. Entities over which KMPs/Directors and their relatives have significant influence		
(with whom transactions have taken place during the year)		
Manaksia Limited		Jebba Paper Mills Limited
Manaksia Aluminium Company Limited		Vajra Machineries Private Limited
MINL Limited		Sumo Steels Limited
Leadstone Energy Limited		

The following table summarises Related-Party Transactions and Balances included in the Financial Statements as at and for the year ended March 31, 2023 and March 31, 2022 :

Nature of Transactions	Subsidiary & Step-down Subsidiaries (1)	Key Managerial Personnel & Other Directors (2+3)	Entities where KMP/ Directors and relatives have significant influence (4)	₹ in Lacs
				Total
Salary and Other Benefits	-	491.24	-	491.24
	-	489.37	-	489.37
Meeting Fees	-	4.75	-	4.75
	-	3.08	-	3.08
Sale of Goods*	22.66	-	18,499.05	18,521.71
	90.41	-	7,745.27	7,835.68
Purchase of Goods	-	-	147.33	147.33
	-	-	138.79	138.79
Service rendered	-	-	-	-
	-	-	116.67	116.67
Service received	-	-	1.49	1.49
	-	-	3.11	3.11
Interest Income recognised	-	-	-	-
	-	-	0.24	0.24
Dividend Received	-	-	120.00	120.00
	-	-	120.00	120.00
Outstanding Receivables	2.01	-	208.03	210.04
	15.50	-	733.62	749.12
Outstanding Payable	-	-	19.61	19.61
	-	-	18.15	18.15
Outstanding Investment in Equity	2,487.46	-	1,503.80	3,991.26
	2,487.46	-	1,503.80	3,991.26
Advance Given against Goods	-	-	-	-
	-	-	37.10	37.10
Advance to Employee	-	73.13	-	73.13
	-	91.00	-	91.00

Note : Figures in italics represent comparative figures of previous years.

* Total revenue from customers includes sales to related parties of ₹9,608.53 lacs (March 31, 2022: ₹5,800.86 lacs) which represents more than 10% of the total revenue to single customer.

Notes to Financial Statements

as at and for the Year ended March 31,2023

37. Employee Benefits

I) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Employers' Contribution to Provident Fund	50.49	41.77

II) Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a) Change in Defined Benefit Obligations :

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Present Value of Defined Benefit Obligations at beginning of year	169.05	155.68
Current Service cost	15.18	16.45
Interest cost	12.00	10.27
Past Service Cost	-	-
Re-measurement (or Actuarial (gains)/ losses) arising from :		
Change in financial assumptions	(0.40)	(3.96)
Experience Variance (i.e. Actual experience vs assumptions)	(4.98)	(3.52)
Benefits paid	(23.82)	(5.87)
Present Value of Defined Benefit Obligations at the end of year	167.03	169.05

b) Net Liability recognised in Balance Sheet :

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Net Liability recognised in Balance Sheet at beginning of year	169.05	155.68
Expense recognised in Statement of Profit and Loss	27.18	26.72
Expense recognised in Other Comprehensive Income	(5.38)	(7.48)
Employer contributions	(23.82)	(5.87)
Net Liability recognised in Balance Sheet at end of year	167.03	169.05

c) Expenses recognised in the Statement of Profit and Loss consist of :

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Current Service Cost	15.18	16.45
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Expense on the Net Defined Benefit Liability	12.00	10.27
Net Amounts recognised	27.18	26.72

Notes to Financial Statements

as at and for the Year ended March 31,2023

37. Employee Benefits (Contd.)

d) Expenses recognised in the Other Comprehensive Income consist of :

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Actuarial (gains) / losses due to :		
Change in financial assumptions	(0.40)	(3.96)
Experience Variance (i.e. Actual experience vs assumptions)	(4.98)	(3.52)
Net Amounts recognised	(5.38)	(7.48)

e) Actuarial Assumptions

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assumptions		
Discount Rate p.a.	7.15%	7.10%
Rate of increase in salaries p.a.	5.00%	5.00%
Demographic Assumptions		
Mortality Rate (% of IALM 12-14)	100.00%	100.00%
Normal Retirement Age	58 Years	58 Years
Attrition Rates, based on age (% p.a.)		
For all ages	2.00	2.00

f) Sensitivity Analysis

Significant actuarial assumptions for the determination of the define benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Defined Benefit Obligation (Base)	167.03	169.05

Particulars	As at March 31,2023		As at March 31,2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	175.44	159.63	177.25	161.86
% change compared to base due to sensitivity	5.04%	-4.43%	4.85%	-4.25%
Salary Growth Rate (- / + 1%)	159.19	175.80	161.44	177.60
% change compared to base due to sensitivity	-4.69%	5.25%	-4.50%	5.06%
Attrition Rate (- / + 50%)	165.81	168.12	167.89	170.09
% change compared to base due to sensitivity	-0.73%	0.66%	-0.69%	0.61%
Mortality Rate (- / + 10%)	166.82	167.23	168.84	169.25
% change compared to base due to sensitivity	-0.12%	0.12%	-0.12%	0.12%

Notes to Financial Statements

as at and for the Year ended March 31,2023

37. Employee Benefits (Contd.)

g) Maturity Profile of Defined Benefit Obligation

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Weighted average duration (based on discounted cashflow)	5 Years	5 Years
Expected cash flows over the next (valued on undiscounted basis)		
1 Year	66.55	73.70
2 to 5 years	56.58	45.71
6 to 10 years	45.60	54.85
More than 10 years	96.68	91.02

h) Summary of Assets and Liability (Balance Sheet Position)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Present value of Obligation	167.03	169.05
Fair Value of Plan Assets	-	-
Unrecognized Past Service Cost	-	-
Effects of Asset Celling	-	-
Net Asset / (Liability)	(167.03)	(169.05)

i) Windup Liability / Discontinuance Liability

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Discontinuance Liability *	185.24	188.12
Present Value of Obligation	167.03	169.05
Ratio (PV of Obligation / Discontinuance Liability)	90%	90%

* Discontinuance Liability is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

38. Disclosures on Financial Instruments

l) Financial Instruments by Category

As at March 31, 2023

Amount in ₹ Lacs

Particulars	Amortised Cost / Cost	Fair Value through OCI	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets					
Investments	3,041.59	4,276.00	8,118.19	15,435.77	15,435.77
Trade Receivables	1,494.18	-	-	1,494.18	1,494.18
Cash and Cash Equivalents	485.94	-	-	485.94	485.94
Other Bank Balances	352.00	-	-	352.00	352.00
Other Financial Assets	1,684.49	-	-	1,684.49	1,684.49
Total Financial Assets	7,058.19	4,276.00	8,118.19	19,452.38	19,452.38
Financial Liabilities					
Borrowings	4,545.46	-	-	4,545.46	4,545.46
Lease Liabilities	69.90	-	-	69.90	69.90
Trade Payables	1,193.15	-	-	1,193.15	1,193.15
Other Financial Liabilities	794.19	-	-	794.19	794.19
Total Financial Liabilities	6,602.70	-	-	6,602.70	6,602.70

Notes to Financial Statements

as at and for the Year ended March 31,2023

As at March 31, 2022

Amount in ₹ Lacs

Particulars	Amortised Cost / Cost	Fair Value through OCI	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets					
Investments	2,537.56	2,952.00	2,218.17	7,707.73	7,707.73
Trade Receivables	1,883.92	-	-	1,883.92	1,883.92
Cash and Cash Equivalents	717.92	-	-	717.92	717.92
Other Bank Balances	57.55	-	-	57.55	57.55
Other Financial Assets	2,436.10	-	-	2,436.10	2,436.10
Total Financial Assets	7,633.05	2,952.00	2,218.17	12,803.22	12,803.22
Financial Liabilities					
Borrowings	734.68	-	-	734.68	734.68
Lease Liabilities	105.15	-	-	105.15	105.15
Trade Payables	893.60	-	-	893.60	893.60
Other Financial Liabilities	839.08	-	-	839.08	839.08
Total Financial Liabilities	2,572.51	-	-	2,572.51	2,572.51

II) Fair Value Hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Current Investments and Foreign Currency Forward Contracts, which have been fair valued using Level 1 & Level 2 Hierarchy respectively.

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

Particulars	Fair Value Hierarchy Level	Amount in ₹ Lacs	
		March 31,2023	March 31,2022
Financial Assets			
Investments (Non-Current)	Level 1	4,276.00	2,952.00
Investments (Current)	Level 1	8,118.19	2,218.17

38. Disclosures on Financial Instruments (Contd.)

III) Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company's focus is on foreseeing the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) Market Risk -

Market Risk Comprises of Foreign Currency Exchange Rate Risk, Interest Rate Risk & Equity Price Risk

i) Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have a potential impact on the Statement of Profit and Loss and Equity, where any transactions are denominated in a currency other than the functional currency of the Company. The Company operates both in domestic market and internationally and consequently the Company is exposed to foreign exchange risk through its sales in overseas countries, and purchases from overseas suppliers in foreign currencies.

The Company's Exchange Rate Risk exposure is primarily due to Trade Payables, Trade Receivables and Borrowings in the form of Buyers' Credit denominated in foreign currencies. The Company uses foreign exchange and forward contracts primarily to hedge foreign exchange exposure.

Notes to Financial Statements

as at and for the Year ended March 31,2023

The following table analyzes foreign currency risk from financial instruments:-

Particulars		Amount in ₹ Lacs	
		March 31,2023	March 31,2022
Exposure Currency (USD)			
Financial Liabilities			
Trade Payables		-	-
Buyer's Credit (Term Loan)		4,516.73	-
	A :-	4,516.73	-
Financial Assets			
Trade Receivable		177.42	424.96
Bank Balance in EEFC		71.66	251.91
	B :-	249.08	676.87
Total	A - B :-	4,267.65	(676.87)

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution.

An appreciation/depreciation of the foreign currencies with respect to functional currency of the Company by 50 paise would result in an decrease/increase in the Company's Net Profit before Tax by approximately ₹25.94 lacs for the year ended March 31, 2023 (March 31, 2022 : ₹- 4.46 lacs)

ii) Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. The Company have interest bearing liabilities having MCLR based floating rate of interest. The Company's interest rate exposure is mainly related to its debt obligations.

Based on the composition of debt as at March 31, 2023 and March 31, 2022 a 100 basis points increase in interest rates would increase the Company's finance costs and thereby consequently reduce net profit and equity before considering tax impacts by approximately ₹45.45 lacs for the year ended March 31, 2023 (2021-22: ₹7.35 lacs).

This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

iii) Security Price Risk

Security price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are held for deploying surplus fund.

The fair value of investments in equity and mutual funds, classified as Fair Value through Profit & Loss as at March 31, 2023 and March 31, 2022 was ₹8118.19 lacs and ₹2218.17 lacs respectively.

A 10% change in prices of such securities held as at March 31, 2023 and March 31, 2022, would result in an impact of ₹811.82 lacs and ₹221.82 lacs respectively on Profit before tax .

Similarly, The fair value of investments in equity instrument, classified as Fair Value through Other Comprehensive Income as at March 31, 2023 and March 31, 2022, was ₹4276.00 lacs and ₹2952.00 lacs respectively.

A 10% change in prices of such securities held as at March 31, 2023 and March 31, 2022, would result in an impact of ₹427.60 lacs and ₹295.20 lacs respectively on profit before tax.

b) Liquidity Risk -

Liquidity risk refers to the risk that the Company may not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

Notes to Financial Statements

as at and for the Year ended March 31,2023

38. Disclosures on Financial Instruments (Contd.)

The following table shows maturity analysis of the Company's Financial Liabilities on the basis of undiscounted contractual payments :

Particulars	Amount in ₹ Lacs	
	March 31,2023	March 31,2022
One Year or less		
Borrowings	4,545.46	706.49
Trade Payables	1,193.15	893.60
Lease Liabilities	38.61	34.86
Other Financial Liabilities	794.19	839.08
More than One Year		
Borrowings	-	28.19
Trade Payables	-	-
Lease Liabilities	31.29	70.29
Other Financial Liabilities	-	-

c) Credit Risk -

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The Company has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

39. Leases

The Company has lease contracts for Guest House and office spaces used in its operations. These have lease terms of 6 years. Company also hold leasehold land having lease terms of 90 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
As on Beginning of the Year	242.91	277.46
Deletion during the year	(0.56)	-
Depreciation Expense	(34.37)	(34.55)
As at End of the Year	207.98	242.91

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
As on Beginning of the Year	105.15	133.35
Accretion of interest	8.91	12.12
Payments	(44.16)	(40.31)
As at End of the Year	69.90	105.15
Current	38.61	34.86
Non Current	31.29	70.29

The incremental borrowing rate for lease liabilities is 10.00%, with maturity between 2024-2025

Notes to Financial Statements

as at and for the Year ended March 31,2023

39. Leases (Contd.)

The following are the amounts recognised in statement of Profit and Loss:

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
Depreciation expense of right-of use assets	34.37	34.55
Interest expenses on lease liabilities	8.91	12.12
Expense relating to other leases (including in other expenses)	-	-
Total amount recognised in Statement of Profit and Loss	43.27	46.67

Maturity analysis of lease liabilities are as follows:	₹ in Lacs	
	2022-2023	2021-2022
1 Year	38.61	34.86
2 to 5 Years	31.29	70.29

40. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances, non current financial assets and current investments. The table below summarises the capital, net debt and net debt to equity ratio of the Company.

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
Equity Share Capital	655.34	655.34
Other Equity	27,531.94	25,090.53
Total Equity (A)	28,187.28	25,745.87
Short Term / Long Term Borrowings (Gross Debt) (B)	4,545.46	734.68
Less: Non - Current Financial Assets	100.17	222.47
Less: Current Investments	8,634.80	2,223.17
Less: Cash and Cash Equivalents	485.94	717.92
Less: Other Bank Balances	352.00	57.55
Net Debt (C)	(5,027.45)	(2,486.43)
Net Debt to Equity (C/A)	-	-

41. Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013.

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
a) Loans and advances in the nature of loan to others		
i) Loan to BMW Industries Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	700.00	-
It carries rate of interest of 15%.		

Notes to Financial Statements

as at and for the Year ended March 31, 2023

42. Additional Regulator Information

I) The Company is filing Quarterly Statement for Fund Based (Working Capital Loan) and Non Fund Based Loans with Banks.

Quarter	Particulars of Security	Amount as per Book	Amount as per Statement	Difference
March'23	Inventories	9,270.12	9,270.12	-
	Receivables < 6 Months	1,483.92	1,483.92	-
	Advance to Vendors	314.52	314.52	-
	Trade Payables	1,193.15	1,193.15	-
	Advance from Customers	158.08	158.08	-
December'22	Inventories	11,065.73	11,065.73	-
	Receivables < 6 Months	1,483.92	1,483.92	-
	Advance to Vendors	1,143.38	1,143.38	-
	Trade Payables	484.93	484.93	-
	Advance from Customers	58.10	58.10	-
September'22	Inventories	3,849.15	3,849.15	-
	Receivables < 6 Months	4,360.62	4,360.62	-
	Advance to Vendors	1,183.44	1,183.44	-
	Trade Payables	571.38	571.38	-
	Advance from Customers	77.43	77.43	-
June'22	Inventories	6,050.26	6,050.26	-
	Receivables < 6 Months	5,253.24	5,253.24	-
	Advance to Vendors	627.35	627.35	-
	Trade Payables	3,889.27	3,889.27	-
	Advance from Customers	302.15	302.15	-
March'22	Inventories	8,178.36	8,178.36	-
	Receivables < 6 Months	1,871.00	1,871.00	-
	Advance to Vendors	2,942.56	2,942.56	-
	Trade Payables	893.60	893.60	-
	Advance from Customers	116.53	116.53	-
December'21	Inventories	6,230.26	6,230.26	-
	Receivables < 6 Months	2,246.00	2,246.00	-
	Advance to Vendors	825.66	825.66	-
	Trade Payables	772.89	772.89	-
	Advance from Customers	57.18	57.18	-
September'21	Inventories	8,442.50	8,442.50	-
	Receivables < 6 Months	1,827.00	1,827.00	-
	Advance to Vendors	432.04	432.04	-
	Trade Payables	788.15	788.15	-
	Advance from Customers	106.45	106.45	-
June'21	Inventories	5,915.25	5,915.25	-
	Receivables < 6 Months	1,641.00	1,641.00	-
	Advance to Vendors	674.11	674.11	-
	Trade Payables	587.11	587.11	-
	Advance from Customers	52.02	52.02	-

Notes to Financial Statements

as at and for the Year ended March 31,2023

42. Additional Regulator Information (Contd.)

II) Ratios:-

Amount in ₹ Lacs

Particulars	March	March	% Change	Reason For Change in Ratios
	31,2023	31,2022		
a) Current Ratio	3.44	6.93	(50.30)	Increase in Buyer's Credit Loan has lead to lower Current Ratio.
b) Debt Equity Ratio	0.16	0.03	465.11	Increase in Buyer's Credit has lead to increase in Debt Equity Ratio.
c) Debt Service Coverage Ratio	0.53	6.40	(91.65)	Increase in Buyer's Credit has lead to Lower Debt Service Coverage Ratio.
d) Return on Equity Ratio	4.69%	12.42%	(62.23)	Decrease in Average Sale Price leads to lower Return of Equity.
e) Inventory Turnover Ratio	7.03	5.62	25.01	-
f) Trade Receivables Turnover Ratio	37.98	28.37	33.88	Reduced Debtor Collection Period resulted into a higher Receivables ratio.
g) Trade Payables Turnover Ratio	54.77	42.92	27.60	Reduced Creditor Payment Cycle for procurement of basic Raw Material has increased the Payables Turnover Ratio.
h) Net Capital Turnover Ratio	3.84	3.15	21.83	-
i) Net Profit Ratio	1.97%	5.86%	(66.35)	Decrease in Average Sale Price leads to Lower Net Profit.
j) Return on Capital Employed	7.42%	17.76%	(58.21)	Decrease in Average Sale Price leads to Lower Return on Capital Employed.
k) Return on Investment	4.58%	10.59%	(56.79)	Lower Market return on Investments and Decrease in Fixed Deposit Interest rates has reduced the ROI.

Elements of Ratios:-

Ratios	Numerator	Denominator	31st March 2023		31st March 2022	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities	23,518.01	6,827.48	18,689.23	2,696.32
Debt-Equity Ratio	Debt (Borrowing)	Total Equity	4,545.46	28,187.28	734.68	25,745.87
Debt Service Coverage Ratio	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Debt (Borrowing)	2,429.37	4,545.46	4,702.36	734.68
Return of Equity Ratio	Net Profit after Tax for the year	Average Equity	1,264.87	26,966.57	2,955.98	23,805.78
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	61,324.68	8,724.24	45,426.62	8,078.49
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	64,148.10	1,689.05	50,452.14	1,778.46
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	57,147.96	1,043.37	39,824.38	927.79

Notes to Financial Statements

as at and for the Year ended March 31,2023

42. Additional Regulator Information (Contd.)

Ratios	Numerator	Denominator	31st March 2023		31st March 2022	
			Numerator	Denominator	Numerator	Denominator
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	64,148.10	16,690.54	50,452.14	15,992.90
Net Profit Ratio	Net Profit after Tax for the year	Revenue from Operations	1,264.87	64,148.10	2,955.98	50,452.14
Return on Capital Employed	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Equity + Debt (Borrowings)	2,429.37	32,732.74	4,702.36	26,480.55
Return on Investment	Interest Income on fixed deposits, bonds and debentures + Dividend Income + Profit on sale of investments + Profit on fair valuation of investments carried at FVTPL	Current investments + Non current Investments + Other bank balances	722.78	15,787.76	822.71	7,765.28

III) Other Statutory Information

- a) The Company do not have any Benami Property, where any proceedings has been initiated or pending against the Company for holding any Benami property.
- b) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies):
 - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(Ultimate Beneficiaries) or
 - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or
 - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.
- g) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.
- h) The Company has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with the Companies(Restriction on Number of Layers) Rules,2017.

Notes to Financial Statements

as at and for the Year ended March 31,2023

42. Additional Regulator Information (Contd.)

- i) There are no events or transactions after the reporting period which is required to be disclosed under Ind AS 10.
- j) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Company has no Core Investment Company as part of the Group.

43. The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

44. Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform to the current year presentation.

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**
Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

Independent Auditor's Report

To the Members of Manaksia Steels Limited

Report on the audit of Consolidated Ind AS financial statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Manaksia Steels Limited ("the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2023, and consolidated profit, consolidated total comprehensive income, consolidated changes in

equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31 March 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<p>Revenue from Sale of Goods</p> <p>The Group recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(V) and as reflected in note 26 to the Ind AS Consolidated financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances and trade discounts.</p> <p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<p>Our audit procedure includes the following:</p> <ul style="list-style-type: none"> • Considered the adequacy of the Group's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers' • Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition. • Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115. • We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. <p>Assessed the relevant disclosure made in the consolidated Ind AS financial statement.</p>

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Consolidated Ind AS financial statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included Other Section of Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it related to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Management and those charge with governance for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial

statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and of its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has an adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the ability of the Group and of its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and of its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and of its associates to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/financial information of one subsidiary (including one step down subsidiary), incorporated outside India, whose financial statements/financial information reflect total assets of ₹11,109.02 lakhs as at 31st March 2023, total revenue (including other Income) of ₹10,114.15 lakhs and net profit/(loss) after tax amounting to ₹61.74 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

The aforesaid subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of two (2) stepdown subsidiaries, whose financial statements and other financial information reflect total assets of ₹228.34 lakhs as at March 31, 2023, total revenues of ₹1.33 lakhs and net profit/(loss) after tax of ₹(4.56) lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been approved and furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- a. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. The Holding Company does not have any subsidiary and associates incorporated in India and accordingly separate report on the adequacy of the internal financial controls of the Group and the operating effectiveness of such controls have not been annexed to this report;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on

its financial position in its financial statements (Refer Note no. 34 of the Consolidated Ind AS financial statements).

- ii. The Group and its associates did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) As represented by the management, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) As represented by the management that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid dividend during the year.

For **Agrawal Tondon & Co.**
Chartered Accountants
Firm Registration No.-329088E

Kaushal Kejriwal
(Partner)
Membership No. 308606
UDIN: 23308606BGUBMF5845

Date: 25 May 2023
Place: Kolkata

Consolidated Balance Sheet

as at March 31,2023

₹ in Lacs

Particulars	Notes	₹ in Lacs	
		As at March 31,2023	As at March 31,2022
ASSETS			
I. Non-Current Assets			
a) Property, Plant and Equipment	3.1	6,043.22	6,462.37
b) Capital Work-in-Progress	3.2	691.50	501.57
c) Intangible Assets	3.3	-	0.23
d) Right-of-Use Asset	3.4	1,162.65	1,221.11
e) Financial Assets			
i) Investments	4	4,313.50	2,997.10
ii) Investments in Associate	5	-	-
iii) Other Financial Assets	6	129.08	249.40
g) Other Non-Current Assets	7	525.78	123.56
		12,865.73	11,555.35
II. Current Assets			
a) Inventories	8	12,562.29	10,480.79
b) Financial Assets			
i) Investments	9	8,634.80	2,223.17
ii) Trade Receivables	10	1,653.08	2,992.00
iii) Cash and Cash Equivalents	11	1,143.85	1,531.81
iv) Other Bank Balances	12	352.00	277.13
v) Other Financial Assets	13	2,609.65	2,226.10
c) Other Current Assets	14	2,055.32	3,577.26
d) Current Tax Assets (Net)	15	134.08	146.28
		29,145.07	23,454.54
TOTAL ASSETS		42,010.80	35,009.89
EQUITY AND LIABILITIES			
III. Equity			
a) Equity Share Capital	16	655.34	655.34
b) Other Equity	17	28,384.72	25,949.66
		29,040.06	26,605.00
IV. Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	18	-	28.18
ii) Lease Liabilities	40	31.29	70.29
b) Provisions	19	100.48	95.35
c) Deferred Tax Liabilities (Net)	20	646.03	404.93
		777.80	598.75
V. Current Liabilities			
a) Financial Liabilities			
i) Borrowings	21	4,816.93	821.15
ii) Lease Liabilities	40	38.61	34.86
iii) Trade Payables	22		
A) total outstanding dues of micro and small enterprises; and		54.03	126.05
B) total outstanding dues of creditors other than micro and small enterprises		1,457.51	1,161.30
iv) Other Financial Liabilities	23	5,373.27	5,342.89
b) Other Current Liabilities	24	296.32	148.59
c) Provisions	25	89.14	89.98
d) Current Tax Liabilities (Net)	15	67.13	81.32
		12,192.94	7,806.14
TOTAL EQUITY AND LIABILITIES		42,010.80	35,009.89
Significant Accounting Policies	2		
Notes to Financial Statements	3-45		

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**

Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

Consolidated Statement of Profit and Loss

for the Year Ended March 31, 2023

₹ in Lacs

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I. INCOME			
Revenue from Operations	26	74,237.56	61,092.50
Other Income	27	726.69	823.08
Total Income		74,964.25	61,915.58
II. EXPENSES			
Cost of Materials Consumed (including Trading Goods)	28	61,777.25	47,863.61
Changes in Inventories of Finished Goods, Stock- in-Trade and Work-in-Progress	29	526.30	(2,302.43)
Employee Benefits Expense	30	2,251.88	2,154.18
Other Expenses	32	7,276.94	8,064.48
Total Expenses		71,832.37	55,779.85
III. Profit before Interest, Tax, Depreciation & Amortisation (EBITDA)		3,131.88	6,135.74
Finance Costs	31	393.20	155.31
Depreciation and Amortization Expense	3	1,027.88	1,086.45
IV. Share in profit/(loss) of Associate	5	-	(0.56)
V. Profit before Tax		1,710.80	4,893.43
VI. Tax Expenses	33		
Current Tax		406.96	1,117.78
Short/(Excess) Provision for Taxation for Earlier Years		(6.24)	38.56
Deferred Tax		91.54	205.36
Total Tax Expenses		492.26	1,361.72
VII. Profit for the period		1,218.54	3,531.71
VIII. Other Comprehensive Income / (Loss)			
A. (i) Items that will not be reclassified subsequently to Profit and Loss			
(a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans		5.38	7.48
(b) Gains/(Losses) from Investment in Equity Instrument designated at FVTOCI		1,324.00	934.00
(ii) Tax on Items that will not be reclassified subsequently to Profit and Loss		(152.82)	(17.29)
B. (i) Items that will be reclassified subsequently to Profit and Loss			
(a) Foreign Currency Translation Reserve		39.98	(133.12)
(ii) Tax on Items that will be reclassified subsequently to Profit and Loss		-	-
IX. Total Comprehensive Income for the period		2,435.08	4,322.78
Significant Accounting Policies	2		
X. Basic and Diluted Earnings per Equity Share of Face Value of ₹ 1/- each	35	₹1.86	₹5.39
Significant Accounting Policies	2		
Notes to Financial Statements	3-45		

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**Chartered Accountants
Firm Regn. No. 329088E**Varun Agrawal**
(Managing Director)
DIN - 00441271**Vineet Agrawal**
(Chief Executive Officer)**Mrinal Kanti Pal**
(Director)
DIN - 00867865**Kaushal Kejriwal**
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023**Rajesh Singhania**
(Chief Financial Officer)**Ajay Sharma**
(Company Secretary)

Consolidated Statement of Cash Flows

for the Year Ended March 31, 2023

₹ in Lacs

Particulars	March 31, 2023	March 31, 2022
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax :	1,710.80	4,893.43
Adjustment for:		
Depreciation/ Amortisation Expense	1,027.88	1,086.45
Finance Cost	393.20	155.31
Interest Income	(156.87)	(356.71)
(Gain)/Loss on Property, Plant and Equipment Sold / Discarded	(2.08)	(18.10)
Dividend Received on Investment in Equity Shares	(127.48)	(134.30)
(Gain)/Loss from Current Investments	(141.97)	(219.66)
Gain from Sale of Associates	(0.56)	-
Fair Value changes of Current Investments	(297.73)	(94.31)
Share in loss of Associate	-	0.56
Operating Profit before Working Capital Changes	2,405.19	5,312.67
Adjustments for:		
(Increase)/Decrease in Non-Current/Current Financial and other Assets	2,087.75	(3,717.41)
(Increase)/Decrease in Inventories	(2,081.50)	(1,867.25)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities/Provisions	407.00	1,353.77
Cash Generated from Operations	2,818.44	1,081.78
Direct Taxes Paid	(402.71)	(1,138.20)
Net Cash Flow from Operating Activities	2,415.74	(56.42)
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment and change in Capital work in progress	(822.16)	(690.63)
Sale of Property, Plant & Equipment	3.39	26.28
(Investment)/Sale of Associates	0.56	(0.56)
(Purchase)/Sale of other Non-Current Investments	7.60	2.50
(Purchase)/Sale of Current Investments	(5,971.93)	(1,519.49)
Redemption/(Investment) in Fixed Deposits	40.80	7,125.55
Loans given	-	-
Interest Received	148.87	645.40
Dividend Received on Equity Shares	127.48	134.30
Net Cash Flow from/(Used in) Investing Activities	(6,465.39)	5,723.36
C: CASH FLOW FROM FINANCING ACTIVITIES:		
(Repayment of)/ Proceeds from Short Term Borrowings (Net)	3,967.60	(5,715.14)
(Repayment of)/ Proceeds from Long Term Borrowings (Net)	(0.00)	(6.79)
Repayment of Principal portion of lease liabilities	(35.26)	(28.19)
Repayment of Interest portion of lease liabilities	(8.91)	(12.12)
Interest Paid	(379.35)	(156.94)
Net Cash Flow From/(Used in) Financing Activities	3,544.10	(5,919.18)
D: Net Increase/(Decrease) in Cash and Cash Equivalents	(505.55)	(252.24)
Cash and Cash Equivalents at the beginning of the period	1,531.81	1,641.28
Effect of Foreign Currency Translation during the year	117.58	142.77
Cash and Cash Equivalents at the end of the period	1,143.84	1,531.81

Consolidated Statement of Cash Flows

for the Year Ended March 31,2023

₹ in Lacs

Particulars	March 31,2023	March 31,2022
E: Cash and Cash Equivalents comprise:		
Balances with Banks	1,129.80	1,486.04
Cheques on Hand	8.05	13.04
Cash on Hand	6.00	32.73
Cash and Cash Equivalents as at year end	1,143.85	1,531.81

Note: Previous year's figures have been rearranged and regrouped wherever necessary.

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**

Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

Statement of Changes in Equity

 for the Year ended March 31,2023

A. EQUITY SHARE CAPITAL

₹ in Lacs

Balance as at April 01,2021	655.34
Changes in Equity Share Capital during the year 2021-22	-
Balance as at March 31,2022	655.34
Changes in Equity Share Capital during the year 2022-23	-
Balance as at March 31,2023	655.34

B. OTHER EQUITY

Particulars	Reserves and Surplus						Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI	Foreign Currency Translation Reserve	
Balance as at April 01,2021	5.00	4,673.93	8,138.32	8,381.27	384.78	43.57	21,626.88
Profit for the period	-	-	-	3,531.71	-	-	3,531.71
Additions during the year	-	-	-	-	-	(133.12)	(133.12)
Other Comprehensive Income							
i) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans	-	-	-	5.60	-	-	5.60
ii) Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI	-	-	-	-	918.59	-	918.59
Balance as at March 31,2022	5.00	4,673.93	8,138.32	11,918.58	1,303.37	(89.55)	25,949.66
Balance as at April 01,2022	5.00	4,673.93	8,138.32	11,918.58	1,303.37	(89.55)	25,949.66
Profit for the period	-	-	-	1,218.54	-	-	1,218.54
Other Comprehensive Income						39.97	39.97
i) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans	-	-	-	4.02	-	-	4.02
ii) Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI	-	-	-	-	1,172.53	-	1,172.53
Balance as at March 31,2023	5.00	4,673.93	8,138.32	13,141.14	2,475.91	(49.57)	28,384.73

Nature and Purpose of Reserves :

- A) **Capital Reserve** : In terms of an earlier Scheme of Demerger, Share Capital of ₹5 lacs prior to such Demerger, had been transferred to Capital Reserve Account.
- B) **Securities Premium** : This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- C) **General Reserve** : Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to general reserve can be utilised only in accordance with the specific requirement of Companies Act, 2013.

Statement of Changes in Equity for the Year ended March 31,2023

- D) **Retained Earnings** : This reserve represents cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013
- E) **Other Comprehensive Income Reserves** :
- i) **Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI** : This reserve represents effect of remeasurements of fair valuation of Quoted Equity Instruments that will not be reclassified to Statement of Profit & Loss.
 - ii) **Foreign Currency Translation Reserve** : The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**

Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

1. Company Overview

The consolidated financial statements comprise financial statements of Manaksia Steels Limited ("the Company") and its subsidiaries (collectively, "the Group") for the year ended March 31, 2023.

Manaksia Steels Limited ("the Company") is a public limited company incorporated in India having its registered office situated at 6, Lyons Range 1st Floor, Turner Morrison Building, Kolkata - 700 001. The Company has its shares listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is primarily engaged in the manufacture of value-added secondary steel products like Cold Rolled Sheets, Galvanised Corrugated Sheets, Galvanised Plain Sheets, Colour Coated (Pre-painted) Sheets, etc. The manufacturing units of the Company are located at Haldia & Bankura (West Bengal).

List of Subsidiaries & Associate included in the Consolidated Financial Statements are as under:

Name of the Company	Country of Incorporation	F. Y. 2022-23	F. Y. 2021-22
		Extent of Holding	Extent of Holding
Technomet International FZE	United Arab Emirates	100%	100%
Federated Steel Mills Limited	Nigeria	100%	100%
Far East Steel Industries Limited	Nigeria	100%	100%
Sumo Agrochem Limited	Nigeria	100%	100%
Metchem Resources Zambia Limited (Ceases w.e.f 6th March, 2023)	Zambia	0.0%	32.5%

2. Significant Accounting Policies

1) Basis of Preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. These financial statements are prepared under the historical cost convention on the accrual basis except for certain items of assets and liabilities which have been measured at their fair values.

(b) Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded off to the nearest lacs, unless otherwise indicated.

(c) Basis of measurement

The Consolidated financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Assets held for sale-measured at the lower of its carrying amount and fair value less costs to sell; and
- (iii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(d) Use of estimates and judgments

The preparation of the Group's Consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Consolidated financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

Consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

II) Basis of Consolidation

The consolidated financial statements comprise financial statements of the Company, its Subsidiaries and Associate and have been prepared in accordance with Indian Accounting Standard . Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The Consolidated Financial Statements have been prepared on the following basis:

- i) The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.
- ii) The difference between the cost of investment in the Subsidiaries over its proportionate share in the net assets value at the time of acquisition of stake in subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation is adjusted against Goodwill.

Changes in parents ownership interest in subsidiary that do not result in the parent losing control of the subsidiary are recognised directly in equity.

- iii) Non controlling interest in net profit/loss of the Subsidiaries for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders' of the company. Non controlling interest in net assets of the subsidiaries is identified and presented separately in Consolidated Financial Statements.
- iv) Group's share of profits, net assets and retained post acquisition reserves of associates are consolidated using the equity or proportionate method of consolidation.
- v) As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's financial statements.
- vi) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the company.
- vii) Foreign Exchange fluctuations on conversion of the accounts of foreign subsidiaries have been taken to "Foreign Currency Translation Reserve" (Arising on Consolidation).

III) Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

IV) Investment in associates

Associates are those enterprises over which the Group has significant influence, but does not have control or joint control.

Investments in associates are accounted for using the equity method and are initially recognised at cost from the date significant influence commences until the date that significant influence ceases. Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associate and impairment charges, if any.

When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of associates are modified to confirm to the Group's accounting policies.

V) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Products

"Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them."

Contract Balances Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Dividend income is recognized in Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income is recognized using the effective interest method.

All other income are recognized on accrual basis.

VI) Property, Plant & Equipment

Property, plant and equipment are stated at acquisition cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalised till the start of commercial production.

Depreciation is provided on the straight line method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives are as follows :

Building	30 Years
Plant & Equipment	10 - 20 Years
Computers	3 Years
Office Equipment	3 - 5 Years
Furniture & Fixtures	5 - 10 Years
Vehicles	8 Years

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other 'Non-Current Assets' and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

VII) Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible Assets acquired in a business combination is valued at their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on Intangible Assets with finite lives is recognized in the Statement of Profit & Loss. The Group amortizes intangible assets over their estimated useful lives using the straight line method.

Intangible Assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

VIII) Inventories

Inventories are valued at cost or net realisable value whichever is lower except for saleable scraps, whose cost is not identifiable, which are valued at estimated net realisable value. Closing stock has been valued on Weighted Average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

IX) Financial Instruments

Initial recognition and measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

i. Non derivative financial instruments

a) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

X) Fair Value Measurement

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

XI) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Group recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating unit) Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

XII) Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

XIII) Foreign Currency Transactions & Translations

Functional and presentation currency

The consolidated financial statements are presented in INR, the functional currency of the Group. Items included in the financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

Transaction and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

XIV) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

XV) Employee Benefits

Defined Contribution Plan

The Group makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

The Group operates a Defined Benefit Gratuity Plan in India. Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The Group's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Group recognizes the net obligation of the defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The Group recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered

XVI) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

XVII) Leases

The Group determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold Land is amortised over the period of lease ranging from 30 to 99 years.
- Building 3 to 15 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in Interest-bearing loans and borrowings.

iii) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

XVIII) Income Taxes

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XIX) Government Grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as reduced from the cost of the assets and are recognized as other income in the Statement of profit & loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

XX) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

XXI) Current and Non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period, or
- iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period."

A liability is classified as current when it is:

- i) it is expected to be settled in the normal operating cycle,
- ii) it is due to be settled within twelve months after the reporting period, or
- iii) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent.

XXII) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

XXIII) Rounding of Amounts

All amounts disclosed in the consolidated Financial Statements and notes have been rounded off to the nearest Lacs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

XXIV) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The group has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The group has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The group has evaluated the amendment and there is no impact on its financial statement."

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

3. PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS & RIGHT-OF-USE ASSET(CURRENT YEAR)

Amount in Lacs

Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at April 01, 2022	Addition	Exchange Diff. on Consolidation on Foreign Subsidiaries	Deletion/ Adjustment	As at March 31, 2023	As at 1st April 2022	Deductions/ Adjustments	For the Year	Exchange Diff. on Consolidation on Foreign Subsidiaries	Up to March 31, 2023	As at March 31, 2023	As at March 31, 2022
3.1 Property, Plant & Equipment:												
a) Land	118.93	-	(4.43)	-	114.50	-	-	-	-	-	114.50	118.93
b) Building	2,009.04	19.74	-	-	2,028.79	501.22	84.06	-	-	585.28	1,443.51	1,507.83
c) Plant & Equipment	8,346.03	365.07	(80.08)	16.19	8,614.83	3,821.19	14.88	831.78	(23.94)	4,614.14	4,000.69	4,524.84
d) Computers	18.20	7.92	-	-	26.12	11.27	3.90	-	-	15.17	10.95	6.93
e) Office Equipment	42.84	5.05	(0.31)	-	47.57	32.07	1.65	(0.22)	(0.22)	33.50	14.07	10.77
f) Furniture & Fixtures	40.40	-	(0.20)	-	40.21	22.96	3.08	(0.04)	(0.04)	26.00	14.20	17.45
g) Vehicles	657.48	235.02	(3.22)	-	889.28	381.86	65.35	(3.24)	(3.24)	443.97	445.30	275.62
3.2 Intangible Asset :												
a) Computer Software	1.26	-	(0.03)	-	1.23	1.03	0.23	(0.03)	(0.03)	1.23	-	0.23
Total :	11,234.18	632.80	(88.26)	16.19	11,762.52	4,771.59	14.88	990.06	(27.47)	5,719.29	6,043.22	6,462.58
3.3 Capital Work in Progress	501.57	432.51	-	242.58	691.50	-	-	-	-	-	691.50	501.57
3.4 Right-of-Use Asset (Ref Note 40)												
a) Leasehold Land*	1,148.67	-	(20.30)	-	1,128.36	16.47	5.60	(0.23)	(0.23)	21.83	1,106.53	1,132.20
b) Buildings	184.65	-	-	0.56	184.09	95.74	32.23	-	-	127.97	56.12	88.91
Total	1,333.32	-	(20.30)	0.56	1,312.45	112.21	-	(0.23)	(0.23)	149.80	1,162.65	1,221.11

* Leasehold Land includes cost of 35 acre land at Haldia for which conveyance deed has not been executed.

3.5 Capital-Work-in Progress (CWIP) ageing schedule

CWIP	Amount in CWIP for a period of		
	< 1 year	1-2 years	2-3 years
Projects in progress	432.51	229.12	29.87
Total			691.50

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

Amount in Lacs

3. PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS & RIGHT-OF-USE ASSET(PREVIOUS YEAR)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK			
	As at 1st April 2021	Addition	Exchange Diff. on Consolidation on Foreign Subsidiaries	Deletion/ Adjustment	As at March 31, 2022	As at 1st April 2021	Deductions/ Adjustments	For the Year	Exchange Diff. on Consolidation on Foreign Subsidiaries	Up to March 31, 2022	As at 31st March 2022	As at 31st March 2021
3.1 Property, Plant & Equipment:												
a) Land	132.36	-	(13.44)	-	118.93	-	-	-	-	-	118.93	132.36
b) Building	2,009.04	-	-	-	2,009.04	417.68	-	83.54	-	501.22	1,507.83	1,591.36
c) Plant & Equipment	8,479.18	112.01	(242.92)	2.23	8,346.03	3,014.42	1.14	860.46	(52.54)	3,821.19	4,524.84	5,464.76
d) Computers	15.04	3.16	-	-	18.20	7.83	-	3.44	-	11.27	6.93	7.22
e) Office Equipment	41.08	3.39	(0.95)	0.69	42.84	33.31	0.66	0.18	(0.77)	32.07	10.77	7.77
f) Furniture & Fixtures	40.34	0.63	(0.57)	-	40.40	17.44	-	5.55	(0.03)	22.96	17.45	22.90
g) Vehicles	635.88	101.46	(9.77)	70.09	657.48	358.88	63.02	94.91	(8.90)	381.86	275.62	277.00
3.2 Capital Work in Progress												
a) Computer Software	1.34	-	(0.08)	-	1.26	0.83	-	0.25	(0.06)	1.03	0.23	0.51
Total :	11,354.27	220.64	(267.71)	73.01	11,234.18	3,850.38	64.83	1,048.32	(62.30)	4,771.59	6,462.60	7,503.88
3.3 Right-of-Use Asset (Ref Note 40)												
a) Leasehold Land*	1,210.25	-	(61.59)	-	1,148.67	11.35	-	5.71	(0.59)	16.47	1,132.20	1,198.90
b) Buildings	184.65	-	-	-	184.65	63.33	-	32.41	-	95.74	88.91	121.32
Total	1,394.90	-	(61.59)	-	1,333.32	74.67	-	38.12	(0.59)	112.21	1,221.11	1,320.23

* Leasehold Land includes cost of 35 acre land at Haldia for which conveyance deed has not been executed.

3.4 Capital-Work-in Progress (CWIP) aging schedule

CWIP	Amount in CWIP for a period of		
	< 1 year	1-2 years	2-3 years
Projects in progress	470.00	1.71	29.87
Total			501.57

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

4. Investments (Non-Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Investments carried at Amortised Cost (Unquoted)		
Investment in Bonds		
9.70% UPPCL 2031 - UP Power Corporation Limited	37.50	45.10
(50 Nos. Bonds of Face Value ₹80,000/-/- each)		
(Previous Year: 50 Nos. Bonds of Face Value ₹85,000/- each)		
Investments carried at FVTOCI (Quoted)		
Investment in Equity Shares		
Manaksia Limited (Refer Note 37)	4,276.00	2,952.00
(4000000 Nos. Equity Shares of Face Value ₹2/- each)		
Total	4,313.50	2,997.10
Aggregate Amount & Market Value of Investments :		
Quoted	4,276.00	2,952.00
Aggregate Amount of Investments :		
Unquoted	37.50	45.10

5. Investments in Associate

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Investments carried at Equity Method (Unquoted)		
Investment in Equity Instruments in Associate		
Metchem Resources Zambia Limited, Zambia*	-	0.56
(Previous Year : 13000 Nos. Equity Shares of ZMW 1 each)		
Group's share in profit/(loss) for the year of associates*	-	(0.56)
Total	-	-

* The carrying value of investment is Nil as the Group's share of losses in such associates exceeds the cost of investments made.

6. Other Financial Assets (Non-Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at amortised cost (Unsecured, Considered Good)		
Security Deposits	28.91	26.93
Fixed Deposits with Banks with remaining maturity of		
More than 12 months #	100.17	222.47
# Lien with Banks		
Total	129.08	249.40

7. Other Non-Current Assets

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
(Unsecured, Considered Good)		
Advances for Capital Goods	525.78	123.56
Total	525.78	123.56

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

8. Inventories

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
At Lower of Cost or Net Realisable Value		
Raw Materials	8,072.15	5,601.79
Work-in-Process	3,173.67	2,393.42
Finished Goods	874.97	2,181.62
Stores & Spares	367.19	233.11
Packing Material	70.28	66.92
At Estimated Realisable Value		
Scraps	4.03	3.93
Total	12,562.29	10,480.79

9. Investments (Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Investments carried at Fair Value through Profit & Loss		
Investments in Mutual Funds (Unquoted) (Refer Note 9.1)	7,733.27	1,503.14
Investments in Equity Shares (Quoted) (Refer Note 9.2)	384.91	715.03
Investments carried at Amortised Cost (Unquoted)		
Investment in Bonds		
9.70% UPPCL 2031 - UP Power Corporation Limited (Current Portion)	5.00	5.00
9.56% SBI 2023 - State Bank of India (50 Nos. Bonds of Face Value ₹10,00,000/- each)	511.62	-
Total	8,634.80	2,223.17

9.1 Investments in Mutual Funds (Unquoted)

Particulars	As at March 31,2023		As at March 31,2022	
	No. of Units	Amt. in ₹ Lacs	No. of Units	Amt. in ₹ Lacs
HDFC Balanced Advantage Fund (NAV: ₹344.595)	98,570.172	339.67	58,458.617	176.65
HDFC Arbitrage Fund (NAV: ₹16.99)	11,779,669.379	2,001.37	1,751,310.395	281.66
HDFC Money Market Fund	-	-	23.082	1.07
HDFC Short Term Debt Fund	-	-	4,207.800	1.10
ICICI Pru Arbitrage Fund (NAV: ₹30.9523)	3,241.886	1.00	-	-
ICICI Pru Equity And Debt Fund (NAV: ₹261.31)	380.614	0.99	-	-
Nippon India Arbitrage Fund (NAV: ₹24.1388)	6,053,521.172	1,461.25	1,664,323.141	379.93
SBI Arbitrage Opportunities Fund (NAV: ₹30.2197)	8,551,593.991	2,584.27	670,626.968	191.33
SBI STD Fund	-	-	3,974.870	1.08
TATA Alternative Investment Fund (NAV: ₹1022.6343)	19,999.000	204.52	-	-
TATA Arbitrage Fund (NAV: ₹12.6809)	8,991,560.345	1,140.21	3,923,992.570	470.32
Total		7,733.27		1,503.14

9.2 Investments in Equity Shares (Quoted)

Particulars	As at March 31,2023		As at March 31,2022	
	No. of Sh.	Amt. in ₹ Lacs	No. of Sh.	Amt. in ₹ Lacs
Aditya Birla Capital Ltd. (FV : ₹10)	-	-	12,900	13.89
Apollo Micro Systems Limited (FV : ₹10)	6,800	18.83	-	-
Artemis Medicare Services Limited (FV : ₹1)	-	-	19,300	8.86
Arvind Fashions Limited (FV : ₹4)	-	-	1,450	4.12
AXISCADES Engineering Technologies Ltd. (FV : ₹5)	-	-	8,100	10.23
Bajaj Hindusthan Sugar Ltd (FV : ₹1)	100,000	12.90	100,000	14.20

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

9.2 Investments (Current) (Contd.)

Particulars	As at March 31,2023		As at March 31,2022	
	No. of Sh.	Amt. in ₹ Lacs	No. of Sh.	Amt. in ₹ Lacs
Ballarpur Industries Limited (FV : ₹2)	-	-	300,000	3.45
Bank of Baroda Ltd (FV : ₹2)	6,200	10.47	9,500	10.60
Bharat Heavy Electricals Ltd. (FV : ₹2)	-	-	30,600	15.10
CESC Ltd (FV : ₹10)	6,400	4.27	6,400	4.85
Coal India Limited (FV : ₹10)	-	-	30,000	54.92
Cochin Shipyard Ltd. (FV : ₹10)	1,800	8.56	3,531	10.39
Den Network (FV : ₹10)	17,000	4.56	17,000	6.27
Engineers India Ltd. (FV : ₹5)	-	-	9,700	6.21
GAIL (India) Limited (FV : ₹10)	-	-	6,650	10.35
GFL Limited (FV : ₹1)	11,280	5.37	11,280	8.90
Graphite India Ltd. (FV : ₹2)	4,600	12.08	4,600	23.13
Gujarat Fluorochemicals Ltd. (FV : ₹1)	-	-	2,000	54.85
Hindustan PetroLium Corporation Ltd (FV : ₹10)	4,100	9.71	4,100	11.04
Indian Bank Limited (FV : ₹10)	2,000	5.77	3,000	4.62
Indian Oil Corporation Limited (FV : ₹10)	14,000	10.91	8,000	9.52
ITC Limited (FV : ₹1)	3,200	12.27	4,850	12.16
LIC Housing Finance Ltd. (FV : ₹2)	2,600	8.55	2,600	9.33
Mangalore Refinery & Petrochemicals Ltd (FV : ₹10)	-	-	11,400	4.74
NLC India limited (FV : ₹10)	13,700	10.57	13,700	8.57
NMDC Limited (FV : ₹1)	29,000	32.35	35,000	56.89
Oil India Ltd. (FV : ₹10)	-	-	4,600	10.97
Pennar industries Ltd. (FV : ₹5)	-	-	23,100	7.98
Power Finance Corporation Limited (FV : ₹10)	-	-	9,000	10.13
Power Grid Corporation of India Limited (FV : ₹10)	-	-	4,740	10.28
Rana Sugars Ltd (FV : ₹10)	18,600	4.09	16,000	4.60
RepcO Home Finance Ltd. (FV : ₹10)	2,150	3.86	2,500	4.41
Rites Limited (FV : ₹10)	3,000	10.64	4,200	11.03
Rushil Decor Limited (FV : ₹10)	-	-	7,000	37.81
SJVN Limited (FV : ₹10)	-	-	39,000	10.71
SPICEJET LTD (FV : ₹10)	-	-	25,000	13.60
Star Cement Ltd. (FV : ₹1)	139,513	156.05	139,513	125.00
Steel Authority Of India (FV : ₹10)	20,600	17.04	20,600	20.30
Tata Coffee Limited (FV : ₹1)	-	-	2,600	5.64
Tata Steel Ltd (FV : ₹10)	8,350	8.73	835	10.92
Techno Electric & Engineering Company Limited (FV : ₹2)	-	-	4,100	10.16
Texmaco Rail and Engineering Ltd (FV : ₹2)	16,000	6.79	29,923	12.48
Titagarh Wagons Ltd. (FV : ₹2)	-	-	4,200	4.26
Vodafone Idea Ltd. (FV : ₹10)	-	-	192,000	18.53
Zydus lifesciences Limited (FV : ₹1)	2,150	10.57	2,600	9.06
Total	-	384.91	-	715.03
Aggregate Amount & Market Value of Current Investments :				
Quoted		384.91		715.03
Unquoted		8,249.90		1,508.14

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

10. Trade Receivables

Particulars	₹ in Lacs	
	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at Amortised Cost		
(Unsecured, Considered Good)		
Trade Receivables	1,653.08	2,992.00
Total	1,653.08	2,992.00

Trade Receivable ageing schedule as on March 31, 2023

Particulars	Outstanding for the followings period from due date of payment						
	Current but not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	442.09	1,098.70	5.95	30.31	0.21	75.81	1,653.08

Trade Receivable ageing schedule as on March 31,2022

Particulars	Outstanding for the followings period from due date of payment						
	Current but not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	759.15	1,643.39	360.70	151.18	0.75	76.84	2,992.00

11. Cash and Cash Equivalents

Particulars	₹ in Lacs	
	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at Amortised Cost		
Balances with Banks	1,129.80	1,486.04
Cheques on Hand	8.05	13.04
Cash on Hand	6.00	32.73
Total	1,143.85	1,531.81

12. Other Bank Balances

Particulars	₹ in Lacs	
	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at Amortised Cost		
Fixed Deposits with Banks with original maturity of		
More than 3 months but less than 12 months #	60.51	57.55
Less than 3 months #	291.49	-
Earmarked Bank Balance	-	219.58
Total	352.00	277.13

Pledged with Banks

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

13. Other Financial Assets (Current)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assets carried at amortised cost		
(Unsecured, Considered Good)		
Security Deposits	4.23	4.51
Interest Accrued on Investment in Bonds	13.63	0.98
Other Receivable	1,030.36	21.88
Fixed Deposits with Banks with remaining maturity of		
Less than 12 months #	1,415.61	2,058.24
Advances to Employees	145.82	140.49
Total	2,609.65	2,226.10

Pledged with Banks

14. Other Current Assets

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
(Unsecured, Considered Good)		
Advances to Vendors	764.26	3,207.99
Balances with Statutory Authorities	1,225.63	285.73
Export Incentives Receivable	23.91	29.05
Prepaid Expenses	41.52	54.49
Total	2,055.32	3,577.26

15. Current Tax Assets (Net)

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Companies incorporated within India:-		
Advance Tax (Net of Provision for Income Tax)	134.08	146.28
Companies incorporated outside India:-		
Advance Tax (Net of Provision for Income Tax)	(67.13)	(81.32)
Total	66.94	64.96

16. Equity Share Capital

Particulars	As at	As at
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
a) Authorised:		
7,50,00,000 Equity Shares of ₹1/- each	750.00	750.00
(P.Y. 7,50,00,000 Equity Shares of ₹1/- each)	750.00	750.00
b) Issued, Subscribed and Paid-up Capital		
6,55,34,050 Equity Shares of ₹1/- each fully paid up	655.34	655.34
(P.Y. 6,55,34,050 Equity Shares of ₹1/- each fully paid up)	655.34	655.34

c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at March 31,2023		As at March 31,2022	
	No. of shares	% Holding	No. of shares	% Holding
Varun Agrawal	12,761,241	19.47	12,761,241	19.47
Suresh Kumar Agrawal	12,350,360	18.85	12,350,360	18.85
Chandrakala Agrawal	10,750,000	16.40	10,750,000	16.40
Payal Agrawal	12,786,218	19.51	12,786,218	19.51

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

16. Equity Share Capital (Contd.)

d) Reconciliation of the shares outstanding is set out below:

Particulars	2022-23	2022-23
	No. of shares	No. of shares
Equity Shares		
At the beginning of the Year	65,534,050	65,534,050
Add : Changes during the year	-	-
Outstanding at the end of the Year	65,534,050	65,534,050

e) Details of Shareholding of Promoters as defined in the Companies Act'2013

Disclosure of Shareholding of Promoters as on March 31, 2023:

SL No.	Promoter Name	No. of shares as on April 1, 2022	No. of shares as on March 31, 2023	% Holding	% Change during the FY 2022-23
1.	Varun Agrawal	12,761,241	12,761,241	19.47	-
2.	Suresh Kumar Agrawal	12,350,360	12,350,360	18.85	-
3.	Chandrakala Agrawal	10,750,000	10,750,000	16.40	-
4.	Payal Agrawal	12,786,218	12,786,218	19.51	-
5.	Suresh Kumar Agrawal HUF	337,500	337,500	0.51	-

Disclosure of Shareholding of Promoters as on March 31, 2022:

SL No.	Promoter Name	No. of shares as on April 1, 2021	No. of shares as on March 31, 2022	% Holding	% Change during the FY 2021-22
1.	Varun Agrawal	12,761,241	12,761,241	19.47	-
2.	Suresh Kumar Agrawal	12,350,360	12,350,360	18.85	-
3.	Chandrakala Agrawal	10,750,000	10,750,000	16.40	-
4.	Payal Agrawal	12,786,218	12,786,218	19.51	-
5.	Suresh Kumar Agrawal HUF	337,500	337,500	0.51	-

f) Terms/rights attached to each class of shares

Equity Shares:

The Company has only one class of equity shares having a par value of ₹1/- . Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17. Other Equity

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹ in Lacs		₹ in Lacs	
A. Securities Premium				
Opening Balance	4,673.93		4,673.93	
Add: Addition during the Year	-		-	
Balance as at the end of the Year		4,673.93		4,673.93
B. General Reserve				
Opening Balance	8,138.32		8,138.32	
Add: Addition during the Year	-		-	
Balance as at the end of the Year		8,138.32		8,138.32
C. Capital Reserve				
Opening Balance	5.00		5.00	
Add: Addition during the Year	-		-	
Balance as at the end of the Year		5.00		5.00

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

17. Other Equity (Contd.)

Particulars	As at March 31,2023		As at March 31,2022	
D. Surplus in the statement of profit and loss				
Opening Balance	11,918.58		8,381.27	
Add : Profit for the Year	1,218.54		3,531.71	
Add:- Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans	4.02		5.60	
Balance as at the end of the Year		13,141.14		11,918.58
i) Gains/(Losses) from Investments in Equity Instruments designated at FVTOCI				
As per last Balance Sheet	1,303.37		384.78	
Add: Addition during the Year	1,172.53		918.59	
Balance as at the end of the Year	2,475.90		1,303.37	
ii) Foreign Currency Translation Reserve				
Opening Balance	(89.55)		43.57	
Add: Addition during the Year	39.98		(133.12)	
Balance as at the end of the Year	(49.57)		(89.55)	
		2,426.33		1,213.83
		28,384.72		25,949.66

18. Borrowings (Non-Current)

Particulars	As at	
	March 31,2023	March 31,2022
Financial Liabilities carried at amortised cost		₹ in Lacs
Secured		
Term Loan from Financial Institution (Secured against Car)*	28.18	34.95
Less:- Current Maturities of Long term Debt	(28.18)	(6.77)
Total	-	28.19

Notes :

* Term Loan secured against Motor Car is repayable in 48 monthly installment payable each month with effect from May'2019.

19. Provisions (Non-Current)

Particulars	As at	
	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Provisions for Employee Benefits		
Gratuity (Refer Note 38)	100.48	95.35
Total	100.48	95.35

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

20. Deferred Tax Liability (Net)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Companies incorporated within India:-		
Deferred Tax Liability		
Timing difference in depreciable assets	364.81	377.30
Timing difference in Fair Value Gain on Financial Instruments	361.48	172.42
Deferred Tax Asset		
Expenses allowable against taxable income in future years	(202.31)	(224.56)
A. Net Deferred tax Liability/(Asset)	523.98	325.16
Companies incorporated outside India:-		
Deferred Tax Liability		
Timing difference in depreciable assets	122.04	79.77
B. Net Deferred tax Liability/(Asset)	122.04	79.77
Total Net Deferred tax Liability (A+B)	646.02	404.92

21. Borrowings (Current)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Liabilities carried at amortised cost		
Secured		
From Banks		
Buyers' Credit (Term Loan)	4,517.28	-
Loans Repayable on Demand	-	699.72
Current Maturities of Long term Loan	28.18	6.77
Unsecured		
Foreign Currency Loan	271.47	114.66
Total	4,816.93	821.15

Notes :

The Company's Working Capital facilities are secured by First Charge on the current assets of the Company ranking pari passu with the respective Working Capital Bankers.

The amount is further secured on First Charge basis on movable fixed assets of the Company ranking pari passu with the respective Working Capital Bankers.

22. Trade Payables

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Liabilities carried at amortised cost		
Total outstanding dues of micro and small enterprises*	54.03	126.05
Total outstanding dues of creditors other than micro and small enterprises	1,457.51	1,161.30
Total	1,511.54	1,287.35
*Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006		
Total outstanding dues of creditors other than micro and small enterprises		
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal amount due to micro and small enterprise	54.03	126.05
Interest due on above	-	-

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

22. Trade Payables (Contd.)

Particulars	As at March 31,2023	As at March 31,2022
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above disclosures are provided by the Group based on the information available with the Group in respect of the registration status of its vendors/suppliers.

Trade Payables ageing schedule as on March 31, 2023

Particulars	Outstanding for the followings period from due date of payment					Total
	Current but not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	44.79	9.25	-	-	-	54.03
(ii) Others	333.21	1,079.57	29.84	1.43	13.47	1,457.51

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for the followings period from due date of payment					Total
	Current but not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	111.82	14.23	-	-	-	126.05
(ii) Others	496.86	501.58	47.78	104.19	10.88	1,161.30

23. Other Financial Liabilities (Current)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Liabilities carried at amortised cost		
Interest accrued but not due on borrowings	4.95	-
Other Payable	4,298.07	3,884.62
Liabilities for Expenses	1,070.25	1,458.27
Total	5,373.27	5,342.89

24. Other Current Liabilities

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Contract Liability	158.08	116.53
Statutory Dues	138.24	32.06
Total	296.32	148.59

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

25. Provisions (Current)

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Provisions for Employee Benefits		
Gratuity (Refer Note 38)	89.14	89.98
Total	89.14	89.98

26. Revenue from Operations

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Sale of Products	73,605.24	59,179.90
Sale of Services	607.07	1,896.73
Other Operating Income	25.25	15.87
Total	74,237.56	61,092.50

27. Other Income

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Interest Income	156.87	356.71
Income from Investments carried at Fair Value through Profit and Loss		
Dividend Income	127.48	134.30
Fair Value changes of Investments in Current Investments	297.73	94.31
Gain/(Loss) on Sale of Equity Shares	35.71	110.18
Gain/(Loss) on Redemption of Mutual Funds	106.26	109.48
Gain on Sale of Fixed Assets	2.08	18.10
Gain on Sale of Share in Associates	0.56	-
Total	726.69	823.08

28. Cost of Materials Consumed

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Opening Stock	5,601.79	6,069.70
Add : Purchases including Traded Goods	64,247.61	47,395.70
Less : Closing Stock	8,072.15	5,601.79
	61,777.25	47,863.61

29. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Opening Stock		
Finished Goods	2,181.62	423.45
Work in Progress	2,393.42	1,850.58
Scrap	3.93	2.52
	4,578.97	2,276.55

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

29. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Contd.)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
Closing Stock		
Finished Goods	874.97	2,181.62
Work in Progress	3,173.67	2,393.42
Scrap	4.03	3.93
	4,052.67	4,578.97
Total (Increase) / Decrease	526.30	(2,302.43)

30. Employee Benefits Expense

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Salaries, Wages and Bonus	1,908.85	1,818.94
Contribution to Provident & other funds	50.49	48.81
Staff Welfare Expenses	292.54	286.43
Total	2,251.88	2,154.18

31. Finance Costs

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Interest Expenses	266.74	65.12
Interest on Lease Liabilities (Refer Note 40)	8.91	12.12
Other Borrowing Cost	117.56	78.07
Total	393.20	155.31

32. Other Expenses

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
Consumption of Stores and Consumables		
Indigenous	653.85	824.69
Imported	-	55.71
Power & Fuel	3,262.48	3,703.86
Processing Charges	22.91	14.32
Carriage Inward	136.75	155.44
Repairs to:		
Building	97.47	247.26
Machinery	169.06	230.93
Others	85.47	117.45
Other Manufacturing Expenses	580.95	485.29
Rent	20.09	18.65
Insurance	73.35	72.02
Rates & Taxes	61.67	59.98
Packing Expenses	369.96	455.33
Freight, Forwarding and Handling Expenses	354.83	448.41
Communication Expenses	18.22	21.13
Travelling & Conveyance	186.81	165.39
Foreign Currency Fluctuation Loss (Net)	274.59	95.44
Auditors' Remuneration		

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

32. Other Expenses (Contd.)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
As Auditors	25.95	20.38
For taxation matters	0.50	0.50
For other services	0.28	0.30
Donations #	53.49	42.87
Commission	2.61	0.34
Other Miscellaneous Expenses	825.66	828.79
Total	7,276.94	8,064.48

Includes an amount of ₹51 Lacs (2021-22 : ₹40.48 Lacs) towards Corporate Social Responsibility as per Section 135 of Companies Act, 2013.

Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee had been formed by the Holding Company. The funds are utilized on the activities which are specified in Schedule VII of the Act. The utilization is done by way of contribution towards various activities.

The details relating to Corporate Social Responsibility (CSR) expenditure during the year are as follows :

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
	₹ in Lacs	₹ in Lacs
a) Gross amount required to be spent by the Company during the year	49.17	35.29
b) Amount spent during the year Promotion of Healthcare	51.00	40.48
c) Amount unspent during the year	-	-
d) Total of previous years shortfall	-	-

33. Effective Tax Reconciliation

The reconciliation of Estimated Income Tax to Income Tax Expense is as below :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
A. Amount recognized in profit or loss		
Current Tax		
Current period	406.96	1,117.78
Changes in respect of current income tax of previous years	(6.24)	38.56
(a)	400.72	1,156.34
Deferred Tax		
Attributable to -		
Origination and reversal of temporary differences	(91.54)	(205.36)
(b)	(91.54)	(205.36)
Tax expenses reported in the Standalone Statement of Profit and Loss (a-b)	492.25	1,361.71
B. Income tax recognized in Other Comprehensive Income		
Deferred tax relating to items recognized in other comprehensive income during the year	(152.82)	(17.29)
Income tax expense charged to Other Comprehensive Income	(152.82)	(17.29)

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

33. Effective Tax Reconciliation (Contd.)

Particulars	March 31, 2023	March 31, 2022
	₹ in Lacs	₹ in Lacs
C. Reconciliation of tax expense and the accounting profit for March 31, 2023 and March 31, 2022:		
Accounting profit before income tax	1,710.80	4,893.43
Tax at the applicable country tax rate of individual entities	464.88	1,178.51
Tax impact on amounts that are adjusted in determining taxable profit:		
Changes in respect of current income tax of previous years	(6.24)	38.56
Income Exempt from Tax / Items not deductible	(5.49)	(118.66)
Other adjustments	39.10	263.30
	492.25	1,361.71

D. Recognized deferred tax assets and liabilities:

₹ in Lacs

Particulars	Balance as on April 1, 2022	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2023
				₹ in Lacs
a) Companies incorporated within India:-				
Property, plant and equipment	(327.53)	(4.95)	-	(332.48)
Other assets	(159.87)	(50.77)	(151.47)	(362.11)
Financial Liabilities	(26.46)	8.87	-	(17.58)
Provisions	188.70	0.84	(1.35)	188.19
Total	(325.16)	(46.01)	(152.81)	(523.98)
b) Companies incorporated outside India:-				
Property, plant and equipment	(79.77)	(42.27)	-	(122.04)
Exchange Diff. on Consolidation	-	(3.25)	-	-
Provisions	-	-	-	-
Total	(79.77)	(45.53)	-	(122.04)

Particulars	Balance as on April 1, 2021	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2022
				₹ in Lacs
a) Companies incorporated within India:-				
Property, plant and equipment	(359.52)	31.99	-	(327.53)
Other assets	(62.91)	(79.51)	(17.45)	(159.87)
Financial Liabilities	(33.56)	7.10	-	(26.46)
Provisions	185.34	3.22	0.14	188.70
Total	(270.65)	(37.21)	(17.30)	(325.16)
b) Companies incorporated outside India:-				
Property, plant and equipment	93.78	(173.55)	-	(79.77)
Exchange Diff. on Consolidation	-	5.40	-	-
Provisions	-	-	-	-
Total	93.78	(168.16)	-	(79.77)

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

33. Effective Tax Reconciliation (Contd.)

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
E. Deferred tax reflected in the Balance Sheet as follows:		
Companies incorporated within India:-		
Deferred tax assets	202.31	224.56
Deferred tax liabilities	(726.29)	(549.72)
(A) Deferred tax assets / (liabilities) (net)	(523.98)	(325.16)
Companies incorporated outside India:-		
Deferred tax assets	-	-
Deferred tax liabilities	122.04	79.77
(B) Deferred tax assets / (liabilities) (net)	(122.04)	(79.77)
Total Net Deferred tax assets/ (Liability) (A+B)	(646.02)	(404.93)

- F. As at March 31, 2023, aggregate amount of temporary difference associated with undistributed earnings of subsidiaries for which deferred tax liability has not been recognised is ₹979.40 lacs (March 31, 2022: ₹592.16 lacs). No liability has been recognised in respect of such difference because the Group is in a position to control the timing of reversal of the temporary difference and it is probable that such difference will not reverse in the foreseeable future.

34. Contingencies and Commitments

I) Contingent Liabilities

Claims against the company/disputed liabilities not acknowledged as Debts

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Service Tax & Excise Duty	3.60	3.60
Income Tax	155.19	155.19
Demand by Haldia Development Authority towards Land Premium	332.50	332.50
Stamp Duty for Registration of Land	49.45	49.45
Total	540.74	540.74

II) Guarantees given

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Guarantees given by the Company not acknowledged as debt	234.00	21.06
Total	234.00	21.06

III) Commitments

Particulars	As at March 31,2023	As at March 31,2022
	₹ in Lacs	₹ in Lacs
Commitment of Capital Expenditure not provided for in the accounts (Estimated) (Net of Advance)	3,549.75	298.43
Total	3,549.75	298.43

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

35. Earnings per share

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Profit as per Statement of Profit and Loss (₹ in lacs)	1,218.54	3,531.71
Weighted average number of equity shares	65,534,050	65,534,050
Nominal value per equity share (₹)	1.00	1.00
Earnings per share - Basic and Diluted (₹)	1.86	5.39

36. Entry Tax

The Group has made a provision of ₹Nil Lakhs (Previous Year ₹Nil Lakhs) towards Entry Tax in relation to matter under litigation/dispute as shown below :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Opening Balance	580.69	580.69
Provisions made during the year	-	-
Closing Balance	580.69	580.69

37. Related Party Disclosures

List of Related Parties :

1.	Associate Company	Relation	Country of Incorporation	Extent of Holding
	Metchem Resources Zambia Limited	Associate (Ceases w.e.f. 6th March, 2023)	Zambia	0.00%
2.	Key Managerial Personnel			
	Sri Varun Agrawal	Managing Director		
	Sri Vineet Agrawal	Chief Executive Officer		
	Sri Rajesh Singhania	Chief Financial Officer		
	Sri Ajay Sharma	Company Secretary		
3.	Other Directors			
	Sri Suresh Kumar Agrawal	Non-Executive Director		
	Sri Ajay Kumar Chakraborty	Independent Director		
	Sri Kali Kumar Chaudhury	Independent Director		
	Sri Ramesh Kr. Maheshwari	Independent Director		
	Smt. Nidhi Baheti	Independent Director		
	Sri Mrinal Kanti Pal	Non-Executive Director		
4.	Entities over which KMPs/Directors and their relatives have significant influence (with whom transactions have taken place during the year)			
	Manaksia Limited	Jebba Paper Mills Limited		
	Manaksia Aluminium Company Limited	Vajra Machineries Private Limited		
	MINL Limited	Sumo Steels Limited		
	Leadstone Energy Limited	Mark Steels Limited		

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

37. Related Party Disclosures (Contd.)

The following table summarises Related-Party Transactions and Balances included in the Financial Statements as at and for the year ended March 31, 2023 and March 31, 2022.

Nature of Transactions	Associate Company (1)	Key Managerial Personnel & Other Directors (2+3)	Entities where Group and its KMP/Directors and relatives have significant influence (4)	₹ in Lacs
				Total
Salary and Other Benefits	-	491.24	-	491.24
	-	489.37	-	489.37
Meeting Fees	-	4.75	-	-
	-	3.08	-	3.08
Sale of Goods	-	-	18,527.95	18,527.95
	-	-	8,283.40	8,283.40
Purchase of Goods	-	-	1,812.11	1,812.11
	-	-	1,513.14	1,513.14
Service rendered	-	-	-	-
	-	-	116.67	116.67
Service received	-	-	1.49	1.49
	-	-	3.11	3.11
Interest Income recognised	-	-	-	-
	-	-	0.24	0.24
Dividend Received	-	-	120.00	120.00
	-	-	120.00	120.00
Outstanding Receivables	-	-	208.03	208.03
	-	-	1,271.85	1,271.85
Outstanding Payable	-	-	4,264.92	4,264.92
	-	-	3,902.77	3,902.77
Outstanding Investment in Equity	-	-	-	-
	-	-	1,503.80	1,503.80
Advance Given against Goods	-	-	-	-
	-	-	37.10	37.10
Advance to Employee	-	73.13	-	73.13
	-	91.00	-	91.00

Note : Figures in italics represent comparative figures of previous years.

38. Employee Benefits

I) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Employers' Contribution to Provident Fund	50.49	41.77

II) Defined Benefit Plan

The Group provides for Gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is paid to employees of the Holding Company under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

38. Employee Benefits (Contd.)

a) Change in Defined Benefit Obligations :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Present Value of Defined Benefit Obligations at beginning of year	169.05	155.68
Current Service cost	15.18	16.45
Interest cost	12.00	10.27
Past Service Cost	-	-
Re-measurement (or Actuarial (gains)/ losses) arising from :		
Change in financial assumptions	(0.40)	(3.96)
Experience Variance (i.e. Actual experience vs assumptions)	(4.98)	(3.52)
Benefits paid	(23.82)	(5.87)
Present Value of Defined Benefit Obligations at the end of year	167.03	169.05

b) Net Liability recognised in Balance Sheet :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Net Liability recognised in Balance Sheet at beginning of year	169.05	155.68
Expense recognised in Statement of Profit and Loss	27.18	26.72
Expense recognised in Other Comprehensive Income	(5.38)	(7.48)
Employer contributions	(23.82)	(5.87)
Net Liability recognised in Balance Sheet at end of year	167.03	169.05

c) Expenses recognised in the Statement of Profit and Loss consist of :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Current Service Cost	15.18	16.45
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Expense on the Net Defined Benefit Liability	12.00	10.27
Net Amounts recognised	27.18	26.72

d) Expenses recognised in the Other Comprehensive Income consist of :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Actuarial (gains) / losses due to :		
Change in financial assumptions	(0.40)	(3.96)
Experience Variance (i.e. Actual experience vs assumptions)	(4.98)	(3.52)
Net Amounts recognised	(5.38)	(7.48)

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

38. Employee Benefits (Contd.)

e) Actuarial Assumptions

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Financial Assumptions		
Discount Rate p.a.	7.15%	7.10%
Rate of increase in salaries p.a.	5.00%	5.00%
Demographic Assumptions		
Mortality Rate (% of IALM 12-14)	100.00%	100.00%
Normal Retirement Age	58 Years	58 Years
Attrition Rates, based on age (% p.a.)		
For all ages	2.00	2.00

f) Sensitivity Analysis

Significant actuarial assumptions for the determination of the define benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Defined Benefit Obligation (Base)	167.03	169.05

Particulars	Amount in ₹ Lacs			
	March 31,2023		March 31,2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	175.44	159.63	177.25	161.86
% change compared to base due to sensitivity	5.04%	-4.43%	4.85%	-4.25%
Salary Growth Rate (- / + 1%)	159.19	175.80	161.44	177.60
% change compared to base due to sensitivity	-4.69%	5.25%	-4.50%	5.06%
Attrition Rate (- / + 50%)	165.81	168.12	167.89	170.09
% change compared to base due to sensitivity	-0.73%	0.66%	-0.69%	0.61%
Mortality Rate (- / + 10%)	166.82	167.23	168.84	169.25
% change compared to base due to sensitivity	-0.12%	0.12%	-0.12%	0.12%

g) Maturity Profile of Defined Benefit Obligation

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Weighted average duration (based on discounted cashflow)	5 Years	5 Years
Expected cash flows over the next (valued on undiscounted basis)		
1 Year	66.55	73.70
2 to 5 years	56.58	45.71
6 to 10 years	45.60	54.85
More than 10 years	96.68	91.02

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

38. Employee Benefits (Contd.)

h) Summary of Assets and Liability (Balance Sheet Position)

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Present value of Obligation	167.03	169.05
Fair Value of Plan Assets	-	-
Unrecognized Past Service Cost	-	-
Effects of Asset Celling	-	-
Net Asset / (Liability)	(167.03)	(169.05)

i) Windup Liability / Discontinuance Liability

Particulars	March 31,2023	March 31,2022
	₹ in Lacs	₹ in Lacs
Discontinuance Liability *	185.24	188.12
Present Value of Obligation	167.03	169.05
Ratio (PV of Obligation / Discontinuance Liability)	90%	90%

* Discontinuance Liability is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

39. Disclosures on Financial Instruments

l) Financial Instruments by Category

As at March 31, 2023

Amount in ₹ Lacs

Particulars	Amortised Cost / Cost	Fair Value through OCI	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets					
Investments	554.12	4,276.00	8,118.18	12,948.30	12,948.30
Trade Receivables	1,653.08	-	-	1,653.08	1,653.08
Cash and Cash Equivalents	1,143.85	-	-	1,143.85	1,143.85
Other Bank Balances	352.00	-	-	352.00	352.00
Other Financial Assets	2,738.73	-	-	2,738.73	2,738.73
Total Financial Assets	6,441.78	4,276.00	8,118.18	18,835.96	18,835.96
Financial Liabilities					
Borrowings	4,816.93	-	-	4,816.93	4,816.93
Lease Liabilities	69.90	-	-	69.90	69.90
Trade Payables	1,511.54	-	-	1,511.54	1,511.54
Other Financial Liabilities	5,373.27	-	-	5,373.27	5,373.27
Total Financial Liabilities	11,771.63	-	-	11,771.63	11,771.63

As at March 31, 2022

Amount in ₹ Lacs

Particulars	Amortised Cost / Cost	Fair Value through OCI	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets					
Investments	45.10	2,952.00	2,223.17	5,220.27	5,220.27
Trade Receivables	2,992.00	-	-	2,992.00	2,992.00
Cash and Cash Equivalents	1,531.81	-	-	1,531.81	1,531.81
Other Bank Balances	277.13	-	-	277.13	277.13
Other Financial Assets	2,475.51	-	-	2,475.51	2,475.51
Total Financial Assets	7,321.55	2,952.00	2,223.17	12,496.72	12,496.72

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

39. Disclosures on Financial Instruments (Contd.)

Amount in ₹ Lacs

Particulars	Amortised Cost / Cost	Fair Value through OCI	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Liabilities					
Borrowings	849.33	-	-	849.33	849.33
Lease Liabilities	105.15	-	-	105.15	105.15
Trade Payables	1,287.35	-	-	1,287.35	1,287.35
Other Financial Liabilities	5,342.89	-	-	5,342.89	5,342.89
Total Financial Liabilities	7,584.73	-	-	7,584.73	7,584.74

II) Fair Value Hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Current Investments and Foreign Currency Forward Contracts, which have been fair valued using Level 1 & Level 2 Hierarchy respectively.

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

Particulars	Fair Value Hierarchy Level	Amount in ₹ Lacs	
		March 31,2023	March 31,2022
Financial Assets			
Investments (Non-Current)	Level 1	4,276.00	2,952.00
Investments (Current)	Level 1	8,118.18	2,223.17

III) Financial Risk Management

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Group's focus is on foreseeing the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) Market Risk -

Market Risk Comprises of Foreign Currency Exchange Rate Risk, Interest Rate Risk & Equity Price Risk

i) Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have a potential impact on the Statement of Profit and Loss and Equity, where any transactions are denominated in a currency other than the functional currency of the Group. The Group operates both in domestic market and internationally and consequently the Group is exposed to foreign exchange risk through its sales in overseas countries, and purchases from overseas suppliers in foreign currencies.

The Group's Exchange Rate Risk exposure is primarily due to Trade Payables, Trade Receivables and Borrowings in the form of Buyers' Credit denominated in foreign currencies. The Group uses foreign exchange and forward contracts primarily to hedge foreign exchange exposure.

The following table analyzes foreign currency risk from financial instruments:-

Particulars		Amount in ₹ Lacs	
		March 31,2023	March 31,2022
Exposure Currency (USD)			
Financial Liabilities			
Trade Payables		-	-
Buyer's Credit (Term Loan)		4,517.28	5,956.06
	A :-	4,517.28	5,956.06

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

39. Disclosures on Financial Instruments (Contd.)

Particulars		Amount in ₹ Lacs	
		March 31, 2023	March 31, 2022
Financial Assets			
Trade Receivable		177.42	137.50
Bank Balance in EEFC		71.66	373.25
	B :-	249.08	510.75
Total	A - B :-	4,268.20	5,445.30

An appreciation/depreciation of the foreign currencies with respect to functional currency of the Group by 50 paise would result in an decrease/increase in the Group's Net Profit before Tax by approximately ₹25.94 lacs for the year ended March 31, 2023 (March 31, 2022 : ₹-4.46 lacs)

ii) Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. The Group have interest bearing liabilities having floating rate of interest. The Group's interest rate exposure is mainly related to its debt obligations.

Based on the composition of debt as at March 31, 2023 and March 31, 2022 a 100 basis points increase in interest rates would increase the Group's finance costs and thereby consequently reduce net profit and equity before considering tax impacts by approximately ₹48.17 lacs for the year ended March 31, 2023 (2021-22: ₹8.49 lacs).

This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

iii) Security Price Risk

Security price risk is related to change in market reference price of investments in equity securities held by the Group. The fair value of quoted investments held by the Group exposes the Group to equity price risks. In general, these investments are held for deploying surplus fund.

The fair value of investments in equity and mutual funds, classified as Fair Value through Profit & Loss as at March 31, 2023 and March 31, 2022 was ₹8118.19 lacs and ₹2218.17 lacs respectively.

A 10% change in prices of such securities held as at March 31, 2023 and March 31, 2022, would result in an impact of ₹811.82 lacs and ₹221.82 lacs respectively on Profit before tax .

Similarly, The fair value of investments in equity instrument, classified as Fair Value through Other Comprehensive Income as at March 31, 2023 and March 31, 2022, was ₹4276.00 lacs and ₹2952.00 lacs respectively.

A 10% change in prices of such securities held as at March 31, 2023 and March 31, 2022, would result in an impact of ₹427.60 lacs and ₹295.20 lacs respectively on profit before tax.

b) Liquidity Risk -

Liquidity risk refers to the risk that the Group may not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The following table shows a maturity analysis of the Group's Financial Liabilities on the basis of undiscounted contractual payments :

Particulars	Amount in ₹ Lacs	
	March 31, 2023	March 31, 2022
One Year or less		
Borrowings	4,816.93	821.15
Trade Payables	1,511.54	1,287.35
Lease Liabilities	38.61	34.86
Other Financial Liabilities	5,373.27	5,342.89
More than One Year		
Borrowings	-	28.18
Trade Payables	-	-
Lease Liabilities	31.29	70.29
Other Financial Liabilities	-	-

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

39. Disclosures on Financial Instruments (Contd.)

c) Credit Risk -

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The Group has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

40. Leases

The Group has lease contracts for Guest House and office spaces used in its operations. These have lease terms of 6 years. While Group also hold leasehold land with lease terms of 30-99 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
As on Beginning of the Year	1,221.11	1,320.23
Addition/(deletion) during the year	(0.56)	-
Exchange Diff. on Consolidation	(20.07)	(61.00)
Depreciation Expense	(37.82)	(38.12)
As at End of the Year	1,162.65	1,221.11

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
As on Beginning of the Year	106.88	133.35
Accretion of interest	8.91	12.12
Payments	(45.89)	(38.58)
As at End of the Year	69.90	106.88
Current	38.61	34.86
Non Current	31.29	72.02

The effective interest rate for lease liabilities is 10.00%, with maturity between 2024-2025

The following are the amounts recognised in statement of Profit and Loss:

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
Depreciation expense of right-of use assets	37.82	38.12
Interest expenses on lease liabilities	8.91	12.12
Expense relating to other leases (including in other expenses)	20.09	18.65
Total amount recognised in Statement of Profit and Loss	66.82	68.89

Maturity analysis of lease liabilities are as follows:	₹ in Lacs	
	2022-2023	2021-2022
1 Year	38.61	34.86
2 to 5 Years	31.29	72.02

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

41. Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and short term bank borrowings.

The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances, non current financial assets and current investments. The table below summarises the capital, net debt and net debt to equity ratio of the Group.

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
Equity Share Capital	655.34	655.34
Other Equity	28,384.72	25,949.66
Total Equity (A)	29,040.06	26,605.01
Non-Current Borrowings	-	28.18
Short Term Borrowings	4,816.93	821.15
Gross Debt (B)	4,816.93	849.33
Less: Current Investments	8,634.80	2,223.17
Less: Non-Current Financial Assets	100.17	222.47
Less: Cash and Cash Equivalents	1,143.85	1,531.81
Less: Other Bank Balances	352.00	277.13
Net Debt (C)	(5,413.89)	(3,405.26)
Net Debt to Equity (C/A)	-	-

42. Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013.

Particulars	₹ in Lacs	
	31st March 2023	31st March 2022
a) Loans and advances in the nature of loan to others		
i) Loan to BMW Industries Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	700.00	-
It carries rate of interest of 15%.		

43. Segment Reporting

I) Business Segment

As the Group's business activity falls within a single primary business segment, viz. "Metal", the disclosure requirements of Indian Accounting Standard-108 "Operating Segments", notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Amendment Rules, 2014 are not applicable.

II) Geographical Segment

The Group primarily operates out of India and therefore the analysis of geographical segments is demarcated into its Indian and Overseas Operations.

a) Details of Revenue based on geographical location of customers is as below :

Revenue from Operations	₹ in Lacs	
	31st March 2023	31st March 2022
India	49,991.03	31,158.79
Overseas	24,246.52	19,260.07
Total	74,237.56	50,418.86

Notes to Consolidated Financial Statements

as at and for the Year ended March 31, 2023

43. Segment Reporting (Contd.)

b) Details of Segment Assets based on geographical area is as below :

Carrying amount of Segment Assets	₹ in Lacs	
	31st March 2023	31st March 2022
India	33,028.85	27,899.39
Overseas	8,981.95	6,989.70
Total	42,010.80	34,889.09

c) Details of Additions to Segment Assets is as below :

Additions to Fixed Assets including CWIP	₹ in Lacs	
	31st March 2023	31st March 2022
India	822.73	32.61
Overseas	(0.01)	40.72
Total	822.72	73.33

III) Information about Major Customers

Total revenue from customers includes sales to a related party of ₹9,608.53 lacs (March 31, 2022: Nil) which represents more than 10% of the total revenue to single customer of the Group.

44. Additional Information

Financial Year 2022-23

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Cons. Figure	Amount in ₹ Lacs	As a % of Cons. Figure	Amount in ₹ Lacs	As a % of Cons. Figure	Amount in ₹ Lacs	As a % of Cons. Figure	Amount in ₹ Lacs
Parent :								
Manaksia Steels Limited	97.06%	28,187.28	103.80%	1,264.87	96.71%	1,176.56	100.26%	2,441.43
Foreign Subsidiaries :								
Technomet International FZE	11.72%	3,403.93	-8.51%	(103.70)	22.34%	271.73	6.90%	168.03
Federated Steel Mills Limited	8.10%	2,353.64	4.35%	52.96	-5.54%	(67.43)	-0.59%	(14.47)
Far East Steel Industries Limited	0.51%	147.10	0.00%	-	-0.47%	(5.71)	-0.23%	(5.71)
Sumo Agrochem Limited	0.03%	9.74	-0.37%	(4.56)	0.32%	3.85	-0.03%	(0.71)
Elimination of Inter-Group Transactions	-17.43%	(5,061.71)	0.74%	8.97	-13.35%	(162.45)	-6.30%	(153.49)
Total :	100%	29,039.98	100%	1,218.54	100%	1,216.53	100%	2,435.07

Notes to Consolidated Financial Statements

as at and for the Year ended March 31,2023

44. Additional Information (Contd.)

Financial Year 2021-22

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Cons. Figure	Amount in ₹ Lacs	As a % of Cons. Figure	Amount in ₹ Lacs	As a % of Cons. Figure	Amount in ₹ Lacs	As a % of Cons. Figure	Amount in ₹ Lacs
Parent :								
Manaksia Steels Limited	96.77%	25,745.84	83.70%	2,955.98	116.83%	924.19	86.21%	3,880.17
Foreign Subsidiaries & Associates :								
Technomet International FZE	12.16%	3,235.91	8.82%	311.34	11.92%	94.28	9.01%	405.62
Federated Steel Mills Limited	8.90%	2,368.11	8.17%	288.56	-14.86%	(117.55)	3.80%	171.01
Far East Steel Industries Limited	0.57%	152.81	0.00%	-	-1.47%	(11.60)	-0.26%	(11.60)
Sumo Agrochem Limited	0.04%	10.45	-0.56%	(19.84)	0.55%	4.36	-0.34%	(15.48)
Metchem Resources Zambia Limited	0.00%	-	-0.02%	(0.56)	0.00%	-	-0.01%	(0.56)
Elimination of Inter-Group Transactions	-18.45%	(4,908.13)	-0.11%	(3.77)	-12.97%	(102.61)	1.60%	71.91
Total :	100%	26,605.00	100%	3,531.71	100%	791.06	100%	4,501.06

45. Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform to the current year presentation.

As per our Report attached of even date For and on behalf of the Board of Directors

For **AGRAWAL TONDON & CO.**
Chartered Accountants
Firm Regn. No. 329088E

Varun Agrawal
(Managing Director)
DIN - 00441271

Vineet Agrawal
(Chief Executive Officer)

Mrinal Kanti Pal
(Director)
DIN - 00867865

Kaushal Kejriwal
(Partner)
Membership No. 308606
Kolkata
25th day of May, 2023

Rajesh Singhania
(Chief Financial Officer)

Ajay Sharma
(Company Secretary)

